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Canada, Agriculture, Department of.
Marketing Service. Economics Division



MARKETING BOARDS UNDER PROVINCIAL LEGISLATION, CANADA 1957

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PREFACE

The aim of this bulletin is to show the nature and extent of marketing powers exercised in Canada by boards operating under provincial law. There are two types of legislation which are clearly distinguishable; those which authorize the organization of producer marketing boards to operate schemes proposed and approved by producers and those which seek to regulate fluid milk marketing, where the boards are government appointed and the degree of producer participation in organization and operation is smaller.

The bulletin deals only with the situation at May 1, 1957 and is not concerned with the constitutional aspects of the subject. It has been compiled from the acts, orders and regulations then in effect; in all cases where any legal interpretation is required these should be consulted.

In order to enable easy comparison between schemes within a province and legislation from one province to another a standard set of sub-headings has been adopted. These are:- products eligible, establishment of board (scheme or plan, if applicable), registration and licensing, finance, marketing powers, price fixing powers, other powers, federal-provincial co-operation.

The Economics Division wishes to acknowledge with thanks the co-operation of officials of provincial governments and of marketing boards to whom parts of the manuscript were submitted in order that errors of interpretation might be avoided.

David Ivor prepared the basic material for the sections on the Atlantic Provinces.

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Part I - Producer Marketing Legislation

NEWFOUNDLAND AGRICULTURAL MARKETING ACT

As this Act remains on the statute books a summary of its provisions has been included. It is, however, inoperative.

Products eligible.- The act defines "agricultural product" as any product of agriculture or horticulture or any article of food or drink derived wholly or partly from such product. Fleeces and skins of animals are also included in the definition.

Establishment of schemes.- There is no provision for the establishment of a provincial board. Schemes regulating the marketing of agricultural products by producers may be submitted to the Minister of Mines and Resources by persons substantially representative of producers in the area to which the scheme is to apply. A proposed scheme is to be published in the Newfoundland Gazette and a time of not less than six weeks is to be set in which objections and representations may be made. The Lieutenant Governor in Council may hold inquiries and may modify the scheme. If approved an order is to be gazetted. A board to administer the scheme is to consist of persons elected either by registered producers or by bodies elected by producers and of two persons co-opted to the board by the elected members with the approval of the Minister.

The methods of amending and revoking schemes are specified in detail in the act. There are no boards operating under the act.

Registration and licensing.- Each scheme is to provide for the registration of producers and is to specify what class of producers are exempt from registration.

Finance.- Each scheme is to provide for the establishment of a fund to be controlled by the board into which registered producers are to pay amounts necessary for the operation of the scheme. Expenses of the board are to be met from the fund. The scheme is also to provide a system of distributing credits in the fund not required for the operation of the scheme and is to empower a board to borrow money. Boards may also be empowered to lend registered producers a portion of the amount they may be expected to receive from the sale of the regulated product.

Marketing powers.- Subject to ministerial approval boards may be empowered to buy, process, grade, pack, store, transport, advertise and sell the regulated product. Registered producers may be required to sell only as determined by the board or an agency of the board. Quantities to be sold may be determined with reference to a past period. Boards may be empowered to receive returns from the sale of regulated products and to distribute such sums to sellers as prescribed in the scheme

or by the board. A board may regulate the manner of grading.

Schemes are to provide that no sales of the regulated product are to be made except by registered producers or those exempt from registration.

There is provision for the Lieutenant Governor in Council to make an order requiring the licensing of imports for the purpose of maintaining effective organization through marketing schemes. When such an order is in effect the Minister may make an order regulating the sale of the domestic product.

Price fixing powers.- A scheme may provide for the determination of fixed, maximum or minimum prices at which the regulated product may be sold.

Other powers.- Schemes may be framed so that they enable boards to encourage, promote or conduct agricultural co-operation, research and education.

The Minister is empowered to appoint a consumers' committee and a committee of investigation. The consumer's committee may be asked to report on the effects on consumers of marketing schemes. The committee of investigation may be required to consider reports from the consumers' committee and any complaints made to the Minister on the operation of the scheme which could not be considered by a consumers' committee. The Minister may amend schemes on the recommendation of the committees.

Schemes may empower boards to buy, sell or let for hire to registered producers anything required for the production or sale of the regulated product.

PRINCE EDWARD ISLAND - THE MARKETING ACT

Products eligible.- The legislation covers any product of the farm or forest.

Establishment of plans.- The Prince Edward Island Marketing Board, which had supervisory powers under previous legislation, was abolished by the 1956 act and its functions transferred to the Minister of Agriculture. The act provides that the Lieutenant Governor in Council may, upon request, establish plans for the marketing of designated agricultural products and constitute commodity producer marketing boards to administer them. The method of choosing members of a commodity board may be set out in the plan. A plan must be approved by 66-2/3 per cent of producers voting in the area to which the plan applies. A temporary plan may be established but a vote must be taken not less than six months and not more than 18 months after the plan has been put into operation. If at least ten per cent of producers of the regulated product petition for ending a marketing plan a plebiscite may be held. If at least 51 per cent of those voting indicate a wish to terminate the plan the Minister may revoke the scheme. Without a petition the Lieutenant Governor in Council may order the Minister to conduct a plebiscite.

Registration and licensing.- A producer board may be given power to require that those engaged in marketing the regulated product register with the board and obtain a license from it. Producers may be required to register with a board. The board may be authorized to fix and collect license fees from those engaged in marketing, classifying persons into groups and fixing different fees for different groups.

Finance.- The Lieutenant Governor in Council may appoint advisory committees and officials for the purpose of administering the act and regulations and may fix their remuneration. Expenses incurred are to be paid from money appropriated by the Legislature for the purpose.

A producer board may be empowered to use, for carrying out the purposes of a plan and paying board expenses, any money received by it. It may be given the power to impose service charges on a unit basis for services which it performs. The board may be authorized to establish a fund in connection with a plan, to be used as the board deems advisable, and to borrow money.

Marketing powers.- A producer board may be given power to designate the time and place of marketing of a regulated product and the agency through which it is to be marketed. It may also be empowered to designate the manner of distribution and the quality and quantity, grade or class of the regulated product to be marketed by the agency. It may further be authorized to conduct pools for the distribution of receipts from marketing the regulated product.

Price fixing powers.— A local board may be authorized to fix prices or to determine maximum or minimum prices at which the regulated product, or any grade or class of it, may be bought or sold. Sales by retail are exempt from these provisions. Prices may be fixed which vary in different parts of the province. The board may be given power to fix maximum price spreads for dealers or designated agencies.

Other powers.— There is a special provision that nothing in the act shall be deemed to authorize a producer board or agency to restrict, prohibit or limit the production of any agricultural product.

Federal-provincial co-operation.— A producer board may be authorized to co-operate or act conjointly with federal authorities and, with the approval of the Lieutenant Governor in Council, to perform any function or exercise any power conferred on it by the federal Agricultural Products Marketing Act.

PRINCE EDWARD ISLAND POTATO MARKETING PLAN

Following the passage of the Marketing Act in 1956, a "Temporary Plan re Potatoes" was issued on June 28, 1956. This is to be submitted to a vote of growers between December 28, 1956 and December 28, 1957 and, to be confirmed, must obtain a favorable vote of $66\frac{2}{3}$ per cent of those voting.

Products eligible.— The plan applies to potatoes in the counties of Kings, Queens and Prince.

Establishment of the plan.— The temporary plan constitutes the Prince Edward Island Potato Marketing Board of nine members. Six of these are to be farmers with a least five acres in potatoes, two from each of the counties in the designated area, and three are to represent dealers. The temporary plan names eight members to hold office until their successors are appointed or elected.

Registration and licensing.— Dealers must be licensed before they can market potatoes. They are divided into four groups depending on the quantity of potatoes they are expected to market. In each of the first three groups, the dealer makes a deposit and subsequently reports in detail his export movement, paying on this volume and deducting from the volume payment the amount of the initial deposit. In the fourth group there is a flat rate of \$250 for those who refuse, decline or neglect to contract to pay on a volume basis. The manager of the board has discretion to exempt from payment of fees dealers whose volume of business is so small as to make payment of a license fee a hardship but who are entitled to a license because their operations provide a needed service for the industry. This power has not been exercised yet except to reduce the initial deposit.

The board may also fix and collect license fees and service charges from those producing, packing, transporting, storing or marketing potatoes but does not do so.

Finance.- The board receives its income from license fees on dealers and volume payments as explained on previous page. The money is used for salaries and expenses of the board, including advertising, assistance to the Potato Industry Promotional Committee and in pursuing transportation and tariff matters and the promotion of better production and marketing practices. The board is empowered to borrow up to \$10,000 for carrying out its marketing plan.

Marketing powers.- The marketing powers, not at present being exercised by the board, include authority to prescribe the manner of marketing potatoes produced in the regulated area and to designate the agency through which they shall be marketed. The board may prohibit the buying, selling, packing, storing or transporting of potatoes produced in the regulated area which do not conform with quality standards set by the board. These powers are not used as the federal quality standards and inspection services are in effect.

Powers to compel producers or those engaged in marketing potatoes to produce records and authority to inspect vehicles transporting potatoes are enforced, if necessary. The enforcement is required in connection with the collection of proper license fees and to prevent the transport of used potato bags which might spread disease.

Price fixing powers.- There is no enforcement at present of the power to fix minimum prices at which potatoes produced in the regulated area may be bought or sold within the province.

Other powers.- The board is empowered to provide for the establishment of technical and advisory committees and for the employment of technical experts and has performed this function.

Federal-provincial co-operation.- The board is authorized to act as a co-operative association within the meaning of the federal Agricultural Products Co-operative Marketing Act and to enter into an agreement under the provisions of the act. For this purpose it may appoint any person to act as a selling agency on its behalf. This power was used in 1953.

The board's powers, conferred on it intraprovincially by provincial legislation, have been extended to interprovincial and export trade under the federal Agricultural Products Marketing Act.

NOVA SCOTIA - NATURAL PRODUCTS MARKETING ACT

Products eligible. - The act defines the term "natural products" to include grains, livestock, wool, dairy products, poultry, fruits and vegetables, seeds, maple products, honey and articles of food or drink derived in whole or in part from them. Other products may be added by regulation.

Establishment of the board and schemes. - The Governor in Council is empowered to establish the Nova Scotia Marketing Board and to fix the number of members and their remuneration. The provincial board may, with the approval of the Governor in Council, establish local boards to carry out schemes operating under the act. Schemes may not be established unless the provincial board is satisfied that they are recommended and approved by a sufficient proportion of those producing or marketing the product to be regulated. It has been the policy of the provincial board before establishing a scheme to require an affirmative vote of at least 75 per cent of producers voting or 60 per cent of the total number of producers.

Registration and licensing. - Subject to the approval of the Governor in Council, the provincial board (or by delegation, a local board) requires the registration of those producing or marketing a regulated product in a designated area. The board may make regulations providing for the licensing of those marketing the product and may fix license fees. These fees may be made payable to the local board constituted under a scheme.

Finance. - Local boards may be empowered to use license fees for payment of their expenses.

Marketing powers. - With the approval of the Governor in Council, the provincial board may prohibit the marketing of designated products except by the provincial board or a local board. It may also make regulations controlling the marketing of designated products, naming the agency through which such products may be marketed. Such powers may be delegated to local boards.

Price fixing powers. - Price negotiating agencies may be established by the provincial or local boards. The boards may determine fair or minimum prices for any regulated product or any grade of it. Sales by retail are exempt from price fixing. A penalty in addition to the general penalty for failure to carry out the provisions of the act and regulations is provided for those paying less than the fair or minimum price. It is equal to the amount of the default and is to be paid to the provincial board which may, with ministerial approval, distribute it pro rata to those who did not receive the price.

Other powers. - The provincial board or a local board may be given powers of arbitration in settling disputes between producers.

distributors and transporters. It may investigate the costs of producing of marketing natural products and other matters relating to the marketing natural products.

Federal-provincial co-operation.- The provincial board or a local board may be authorized to co-operate with any board or agency operating under federal or provincial legislation in the marketing of a natural product. Such a board may be authorized to exercise in interprovincial and export trade powers conferred on it by a federal act.

NOVA SCOTIA WOOL MARKETING SCHEME

Products eligible.- The scheme applies to wool produced in Nova Scotia.

Establishment of the scheme.- The scheme is administered by the Nova Scotia Wool Marketing Board of three members who serve for a three year term. For purposes of the scheme the province is divided into three zones, each of which is entitled to have one representative on the board. Nominations for the board may be submitted by any five registered producers in a zone. If there are no nominations the sitting member is considered re-elected. If there are two or more nominations, the Nova Scotia Marketing Board conducts an election at which registered producers are entitled to vote.

Registration and licensing.- The wool board may license wool collectors but is not enforcing this section of the regulations.

Finance.- The wool board charges producers a marketing fee of $\frac{1}{2}$ cent per lb. on all wool marketed through it. The fee is collected through the marketing agency and paid to the wool board which uses it for defraying expenses. Wool board members are paid \$10.00 for each day that they meet and are reimbursed for travelling expenses.

Wool collectors are paid for handling and shipping wool at the rate of one cent per lb. or such other rate as determined by the wool board, less transportation costs from the nearest shipping point to a wool grading station.

Marketing powers.- The wool board has authority, with the approval of the Nova Scotia Marketing Board, to prescribe the manner of marketing wool produced in the province; to designate the agency through which it shall be marketed; and to prohibit the buying, selling, packing or transporting of wool without authorization from the wool board or a licensed collector.

Canadian Co-operative Wool Growers' Ltd. is designated as the marketing agency for the scheme. Producers must ship either to a licensed wool collector or to the agency. Wool used by the producer is exempt from the provisions of the scheme.

Price-fixing powers.- The wool board has power to fix prices but in actual practice sells at the market price.

NOVA SCOTIA HOG MARKETING PLAN

Products eligible.- The plan applies to hogs sold alive in Nova Scotia, excluding Cape Breton Island.

Establishment of the plan.- Under the plan the Nova Scotia Hog Marketing Board is established. It consists of three members, one for each of the three zones into which the province is divided for the purposes of the scheme. Before expiry of the term of office of any member of the board, a nomination may be made by any livestock shipping club or co-operative association which has marketed no fewer than 100 hogs in the preceding year. If no nomination is received from a zone, the sitting member of the board will be considered re-elected or, if not more than one nomination is received, the person nominated will be considered elected by acclamation. If two or more persons are nominated, an election is held at which each registered producer in the zone is entitled to vote.

There is provision for discontinuing the plan. On receipt of a petition signed by at least 200 registered producers, the Nova Scotia Marketing Board is to submit the plan to a vote of such producers. If a satisfactory majority does not vote in its favor, the provincial board may order that the plan be discontinued.

Registration and licensing.- The Hog Marketing Board levies a license fee of \$1.00 a year on all shipping clubs or co-operative associations. Producers are not registered and pay no license fee, although the board has power to register them and collect license fees.

Finance.- The Hog Marketing Board's expenses are met from license fees. Board members are paid at the rate of \$10.00 for each day that the board meets and are reimbursed for travelling expenses.

Producers who sell hogs through the plan are required to pay a service fee to Maritime Co-operative Services Ltd. (the marketing agency) of 1½ per cent of the price.

Marketing powers.- The Hog Marketing Board has authority, with the approval of the provincial board, to prescribe the manner in which all hogs produced in the regulated area are sold to abattoirs and packing plants, to designate the agency through which live hogs shall be marketed, to determine the terms and conditions of marketing and to exempt from the provisions of the plan any class of persons engaged in the production or marketing of hogs. Persons not in possession of a valid hog shipper's license are prohibited from buying or shipping live hogs unless they have first obtained permission from the hog board.

Maritime Co-operative Services Ltd. of Moncton, N.B., is designated sole marketing agency of the board. The plan does not, however, apply to the purchase of young pigs for feeders, pure-bred pigs for breeding stock, grade sows for breeding stock, hogs by persons other than those operating abattoirs or slaughter houses handling more than 200 hogs a month, and hogs obtained through the marketing agency. In effect it applies only to hogs purchased by large packing plants (at present about 58 per cent of the province's hog population).

Price-fixing powers.- The Hog Marketing Board has power to determine prices of live hogs in the provinces. In practice Maritime Co-operative Services Ltd. sells all hogs marketed through it to packing plants at prices related to the Montreal price. All hogs of the same grade marketed through the agency at the same time are sold at the same price.

Federal-provincial co-operation.- The Nova Scotia Marketing Board has authority, with respect to hogs, to exercise like powers in interprovincial and export trade to those which it exercises within the province under provincial law. The power is granted under the federal Agricultural Products Marketing Act.

NEW BRUNSWICK - NATURAL PRODUCTS CONTROL ACT

Products eligible.- In the act the term "natural product" includes fish, animals, meats, eggs, poultry, wool, dairy products, fruits and fruit products, vegetables and vegetable products, maple products, honey, tobacco and such other products of agriculture and of forest, seas, lake or river and any article of food or drink wholly or partly manufactured or derived therefrom that may be designated by the Lieutenant Governor in Council. Thus the scope of products covered by the legislation is very wide. The term "marketing" includes advertising, buying, selling, transporting, packing, shipping and offering for sale but does not include buying or selling by retail.

Establishment of the board and plans.- The act established the Natural Products Control Board which has the powers of a corporation. It consists of not more than three persons appointed by the Lieutenant Governor in Council.

When the provincial board receives from a group of persons engaged in the marketing of a natural product a petition asking for a plan to market or regulate the marketing of the product and for the establishment of a local board to regulate its marketing, the board may recommend the adoption of such a plan to the Minister of Agriculture, provided the board is of the opinion that the petitioners fairly represent the group who are engaged in the marketing of the product. The Minister may then recommend the plan to the Lieutenant Governor in Council who may approve a plan, establish a local board to administer it, vest in the local board any powers considered necessary to enable it to carry out the plan, prescribe the number of members of the local board and the method by which they are to be chosen, whether by appointment or election, and amend the plan from time to time.

The Lieutenant Governor in Council may provide for the submission of any marketing plan to a plebiscite within the area covered by the plan and may provide for the termination of any plan, the dissolution of a local board and the disposition of the board's assets.

At the present time, 1957, there are four marketing boards in operation, each with its local board, for the regulation of hogs, cheese, cream and potatoes. However, only in the hog and cheese schemes is there control of the marketing of these products; the cream scheme is engaged in promotional activities only and the potato scheme is not functioning.

Registration and licensing.- A local board may be given power to require all persons producing or marketing a regulated product to register with it and to obtain licenses from the Natural Products Control Board or the local board. All four boards established under the act have been granted this power.

If the board or a local board refuses to issue or renew a license or suspends or revokes a license, the person concerned must be afforded an opportunity to appear before the board or local board to show cause why his license should not be refused, suspended or revoked.

Finance.- No mention is made in the act regarding the method of remunerating the members and officers of the Natural Products Control Board. Local boards, however, are given power to fix and collect license fees or charges for services rendered by the board from persons producing or marketing the regulated product. For this purpose local boards may classify such persons into groups and fix different fees or charges for different groups. These fees or charges may be used to pay the expenses of the local board. Also the Control Board may empower a local board to borrow money for such purposes and in such amounts as the Board may determine.

Marketing powers.- Local boards are vested with power to regulate the time and place at which, and to designate the agency by, or through which, a regulated product shall be marketed. They also have the power to regulate the manner in which the regulated product is to be marketed, to regulate the quantity and quality, grade or class of the regulated product that may be marketed at any time and to prohibit in whole or in part the marketing of any grade, quality or class of a regulated product.

Price-fixing powers.- Local boards may be granted power to fix prices, either maximum or minimum or both, at which the regulated product or any grade or class of it may be bought or sold in the province and to fix different prices for different parts of the province.

Other powers.- The Natural Products Control Board may investigate, arbitrate and settle any dispute between producers, processors, distributors or transporters of natural products. It also may investigate the cost of producing, processing, distributing and transporting any natural product and the prices, price spreads, trade practices, grading policies and other matters relating to the marketing of the product.

To complement their regulatory and price-fixing powers, local boards may be given certain additional powers. For example, a board may require persons engaged in the production, packing, transporting, storing and marketing of a regulated product to supply full information about their activities and to permit inspection of their books and premises. Persons in charge of vehicles must permit employees or officers of a local board to search their vehicles. The board has power to seize and dispose of a regulated product which is suspected of being kept, transported, packed, stored or marketed in violation of the board's orders. The local board may require persons who purchase a regulated product for resale to furnish security or proof of financial responsibility.

Federal-provincial co-operation.- By order in council a local board may be authorized to exercise any of the powers conferred upon

it by any law of Canada respecting natural products. This enables implementation of the Agricultural Products Marketing Act (Canada) which empowers the Governor in Council to extend the powers conferred by a provincial act on a local board regarding intra-provincial trade and make these powers applicable to interprovincial and export trade.

Furthermore, a local board may be authorized to co-operate with any Canadian board or provincial board constituted under acts with objects similar to the Natural Products Control Act in order to regulate the marketing of a natural product of the province and to act conjointly with the Canadian or provincial board for the purpose.

NEW BRUNSWICK HOG PRODUCERS' MARKETING PLAN

Products eligible.- Although this plan is so worded that it may include all hogs and hog products produced in New Brunswick, the local board in its regulations has limited the plan to cover only hogs sold for slaughter in plants inspected by the Health of Animals Division, Canada Department of Agriculture. Since a large proportion of the hogs produced in the province are sold to local butchers and packers whose establishments are not federally inspected, the scheme actually applies only to hogs which are shipped to the larger packing plants in Moncton and St. John. Persons who produce and ship hogs to these inspected plants are known under the plan as registered producers.

Establishment of the plan.- The New Brunswick Hog Marketing Board, established by Order in Council under authority of the Natural Products Control Act, is the local board which administers the scheme. The board is composed of five registered hog producers who are elected for a two-year term.

Under a marketing plan the province is divided into five districts, each with a District Committee. This committee is elected annually by the registered producers of the district on a basis of one representative from each shipping club (a community group of producers who co-ordinate local hog shipping) or, if there are three or fewer shipping clubs in the district, two from each club. Every two years each District Committee elects a member to the Hog Marketing Board. The District Committee is expected to act in an advisory capacity to its representative on the board.

Registration and licensing.- Although the local board is empowered to require all persons marketing hogs to register with it and obtain licenses, in practice the board requires only dealers, shipping clubs and co-operatives which collect hogs for shipping to be licensed but not producers.

Finance.- The board is empowered to fix and collect periodic license fees for services rendered. This it does by requiring its agency to collect a service fee from each registered producer of 1½ per cent of the selling price. The sums so collected pay the expenses of the selling agency and the board.

Marketing powers.- The board has power to regulate the time and place at which and to designate the agency by or through which hogs shall be marketed. The board has designated Maritime Co-operative Services of Moncton as its sole marketing agency and directed that all hogs shipped to federally inspected packing plants must be marketed through this agency. The board also has power to regulate the manner in which hogs may be marketed and the quantity and quality, grade or class of hogs which may be marketed through its agency at any time.

Price-fixing powers.- The board has power to fix prices, both minimum or maximum or both, according to grade, for hogs marketed through this agency. The prices which the board sets are related to the Montreal market prices.

Other powers.- The board has additional powers which could be employed if required. For example, the board may revoke or suspend a license for violating the scheme. It may require persons engaged in any phase of hog production, transportation or marketing to supply the board with full information regarding their activities. It may order vehicles to be searched and it may seize and dispose of hogs which are suspected of being marketed in violation of the board's orders. Persons who purchase hogs for resale may be required to furnish proof of financial responsibility but, since these persons are not licensed by the board, the power is not exercised.

Federal-provincial co-operation.- The board is empowered to co-operate with any Canadian board or provincial board to regulate hog marketing and to act conjointly with any Canadian or provincial board for the purpose. By order in council the federal government extended the marketing powers of the board to cover interprovincial and export trade, under the terms of the federal Agricultural Products Marketing Act.

NEW BRUNSWICK CHEESE MARKETING PLAN

Products eligible.- The plan applies only to cheddar cheese, made by the cheddar process from heated and pressed curd obtained by the action of rennet on whole milk. In the plan a cheese factory is a place where cheese is made from the milk of 50 or more cows.

Establishment of the plan.- The cheese marketing plan in New Brunswick commenced operations in 1939 and is the oldest marketing plan in the province. Its purpose is to improve the quality of cheddar cheese manufactured in the province, to regulate the marketing of the cheese in an orderly way and to store cheese when necessary to provide for market needs in seasons of short supply and to prevent demoralization of the market when production is greater than current requirements. In general, New Brunswick is a cheese-deficient area.

The local board administering the scheme is the New Brunswick Cheese Board. It is composed of a representative from each of the five cheese factories in the province. Each patron and shareholder of a cheese factory has one vote in the election of the factory's representative. The term of office on the board is one year.

Registration and licensing.— The owners or operators of each cheese factory must register with the local board and, upon recommendation of the board, obtain a license from the Natural Products Control Board. This license may be revoked upon the recommendation of the local board if the licensee has violated the provisions of the scheme. Before the license is renewed, the Control Board may require the owners of the factory to post a suitable bond.

Finance.— The Control Board delegates to the Cheese Marketing Board, as its agent, the power to impose and collect a toll or charge not exceeding one-third of a cent per pound on all cheese marketed under the plan. The sums thus collected are paid into the Consolidated Revenue Fund of the province to the credit of the Control Board and used to pay the expenses of the local board and the selling agency.

Marketing powers.— The local board has designated Mr. E.M. Sallick of St. John, N.B., as its agent and all cheddar cheese produced by cheese factories in the province must be marketed through him. The Control Board has delegated certain powers regarding marketing to the local board. These include the power to regulate the time and place at which, and to designate the agency through which cheese is to be marketed, to determine the manner of distribution and the quantity and quality, grade or class of cheese that shall be marketed by any producer at any time.

The local board also may determine at any time, on the basis of production or other equitable basis and without discrimination, the amount of cheese which may be marketed or stored for future marketing by each cheese factory.

Price-fixing powers.— The local board has authority to fix, from time to time, the price at which any cheese of any quantity, quality, grade or class may be sold, offered or transported for sale. The board does establish prices for cheese to the producing factories.

Other powers.— The customary additional powers granted to local boards are also granted to the Cheese Board. For example, it may require full information relating to the manufacturing and marketing of cheese from all producers. It may also seize, or detain, at the producer's risk and expense, any cheese being marketed in violation of the Natural Products Control Act, the regulations made under the Act or any order of the local board.

The board also advises federal cheese inspectors where and when there is cheese to be inspected and the quantity of it.

NEW BRUNSWICK CREAM PRODUCERS' MARKETING PLAN

Products eligible.— The plan covers cream produced in the province which is delivered either directly or indirectly to a creamery for the manufacture of butter or butterfat products. A creamery is defined as a place where the milk or cream of not fewer than 50 cows is manufactured into butter.

Establishment of the plan.— The plan was established in 1950 with the objects of controlling the marketing of cream used to make butter or butterfat products, stimulating, increasing and improving the marketing of it, promoting and protecting the dairy industry, regulating the marketing of creamery butter in the province, storing surplus butter to prevent glutting of the market at certain seasons and arranging to purchase and store surplus stocks of butter offered for sale by a creamery. However, the creameries of the province through voluntary co-operative action have been able to achieve most of the objects of the plan and therefore, since its inception, the plan has been used for promotional activities only and no control over marketing has been exercised.

The local board administering the scheme is the New Brunswick Cream Producers' Marketing Board. It is composed of ten members who are cream producers. The province is divided into five zones and the zones into district branches. Each year each district branch elects one or more representatives to the Zone Cream Producers' Committee on the basis of one representative where the number of producers is one thousand or fewer, with an additional representative for every 500 producers over one thousand. Each year each Zone Cream Producers' Committee elects two members to the local board.

Registration and licensing.— The local board requires each creamery or distributor engaged in manufacturing or marketing butter to register with the local board and, upon recommendation of the local board, obtain a license from the Natural Products Control Board. This license may be refused, suspended or revoked for violation of any provisions of the scheme and a bond may be required before the license is renewed or reinstated. Producers are not registered.

Finance.— Every producer must pay to the local board a license fee of 1/4 cent per pound butterfat for all cream delivered directly or indirectly to a creamery. This fee is deducted by the creamery from money due to the producer and forwarded to the Provincial Secretary-Treasurer. This money is released to the Cream Marketing Board which spends it on promotional work for the dairy industry and to defray expenses.

The local board also has power to collect on behalf of the Natural Products Control Board a service charge not exceeding 1/5 cent per pound on all butter manufactured by a creamery and to pay this money into a special fund to defray the expense incurred in marketing butter.

However up to the present time (1957) this service charge has not been collected.

Marketing powers.- Although no marketing control is exercised under the plan, the local board has considerable authority to regulate marketing should it ever decide to do so. Thus the local board has power to regulate the time and place at which, and to designate the agency through which, creamery butter is to be marketed by a creamery at any time. It also has power, again not exercised, to determine at any time, on the basis of production or other equitable basis and without discrimination, the amount of butter that may be marketed or stored for future marketing by each creamery.

Price-fixing powers.- The local board does not fix butter prices but, should it wish to do so, it has power to fix the price at which butter of any quantity, quality, grade or class may be sold, offered or transported for sale.

Other powers.- Should it wish to employ them, the board has additional powers. It can require full information from all creameries and distributors relating to the manufacturing and marketing of butter. It may seize and dispose of, at the risk and expense of the license holder, any butter being marketed in violation of the scheme. The board may also advise federal inspectors regarding the time when and place where there is butter to be inspected.

The plan provides for the New Brunswick Creamery Council to confer with and advise the local board on matters of interest to creameries in connection with the marketing of butter. It is to be composed of one representative from each creamery. Since the local board does not engage in the regulation of marketing, it has not used this section.

NEW BRUNSWICK POTATO MARKETING PLAN

Products eligible.- The plan covers all potatoes grown in the Province of New Brunswick, although any class of persons who market potatoes, or any variety or grade of them, may be exempted from any regulation or order of the plan.

Establishment of the plan.- The purpose of the plan is to provide for the promotion, control and regulation of the marketing of potatoes produced in New Brunswick, to encourage the production and marketing of high quality potatoes, to co-operate with provincial boards in Prince Edward Island, Nova Scotia and other provinces in regulating the marketing of potatoes and to eliminate unethical practices in potato marketing.

The plan, which has not been operative since 1954, provides that it is to be administered by the New Brunswick Potato Marketing Board, a local board constituted under the Natural Products Control Act. It is to be elected for a three year term by the potato growers and export

shippers on the following basis, viz., the province is divided into six zones with producers' committees in two of the zones electing two grower representatives each and, in the other four, one grower each and the New Brunswick Export-Shippers Association electing three members, giving the board a total of 11 members - eight growers and three export shippers.

Registration and licensing.- The local board has power to require any or all producers or marketers of potatoes to register with and obtain licenses from the board. The board also has power to suspend or revoke a license for violation of any provision of the potato marketing plan.

Finance.- The board has power to fix and collect periodic license fees or charges for services rendered by the board from any or all persons producing or marketing potatoes. These persons can be classified into groups, with different fees and charges being levied on different groups. Moneys received by the board can be used to carry out the plan and pay the board's expenses. However, as previously explained, these fees or charges have not been levied since 1953.

Marketing powers.- Powers vested in the local board include authority to regulate the time and place at which, and to designate the agency by or through which, potatoes may be marketed, power to regulate the manner in which potatoes may be marketed and power to regulate the quantity and quality, grade or class of potatoes which may be marketed at any time and to prohibit the marketing of any grade, quality or class of potatoes. None of these powers are exercised.

Price-fixing powers.- The board has power to fix prices, either minimum or maximum or both, at which potatoes of any grade or class may be bought or sold in the province and to fix different prices for different areas of the province. This power also is not used.

Other powers.- The board has the customary complementary powers required for the regulation of marketing, e.g. the right to search vehicles and to seize and dispose of potatoes suspected of being kept, transported or stored in violation of the marketing scheme, the power to require full information from persons engaged in any phase of producing or marketing potatoes concerning their activities and the power to require persons who purchase potatoes for resale to furnish security or proof of financial responsibility.

Federal-provincial co-operation.- The board has authority under the plan to co-operate with any Canadian or provincial board to regulate the marketing of potatoes produced within the province and to act conjointly with any Canadian or provincial board for such purpose. The federal government, under the Agricultural Products Marketing Act, has extended the powers of the board to interprovincial and export trade.

QUEBEC AGRICULTURAL MARKETING ACT

The Quebec act, passed in 1956, makes provision for the setting up of the Quebec Agricultural Marketing Board with broad powers designed to improve production and marketing within the province of farm products. The board has been established and is setting up a research and statistical department. It employs investigators and inspectors reporting on production and marketing and has ruled that marketing plans must contain a proviso to insure that they apply only to products conforming to health regulations and inspection standards. Although no marketing plans are yet in effect, several are under active consideration and three are being submitted to producers' votes.

Products eligible.- The act applies to "farm products" including forest products and food or beverages derived from agricultural products. In all cases the regulation contemplated is only the first sale from producers and subsequent transactions are not controlled.

Establishment of the board.- The Marketing Act provides for the Lieutenant Governor in Council to appoint four members to constitute a provincial board and to hold office for ten years.

The Lieutenant Governor in Council may also create a consulting committee to assist the board by investigating and advising upon any matter as requested by the board.

Marketing schemes or plans for individual products may be approved and enforced by the provincial board. The following procedure is to be followed in the establishment of plans. A group of producers, ten or more, shall outline a proposed scheme, sign it and submit it to the board. The board may accept or reject the scheme. If it is accepted, it is to be submitted, with such amendments as the board deems expedient, to a vote of the producers of the product. To come into force 75 per cent of the producers, representing at least 75 per cent of the total value of production, must approve the scheme. The act mentions some of the particulars which must be contained in the draft of a scheme. One such matter is the creation of a local board. The scheme must name provisional members of the local board, provide for election of their successors and outline the powers and duties of such a board. Producers' associations may apply for approval of marketing plans, with the same effect as ten or more individual producers.

Registration and licensing.- The provincial board may prescribe and issue licenses to persons marketing any regulated product. It may prescribe the form of licenses and the conditions upon which they will be issued or revoked. Producers may be obliged to register with the board, providing their names, addresses and such other information as the board requires.

Finance.- The draft of any proposed marketing plan must explain

how the expenses incurred are to be met. This may be by license fees or by contributions from an association of producers applying for the adoption of the plan or from the general funds of the producers' organization. The provincial board may make regulations to turn over to local boards the license fees which it collects. The expenses of the provincial board and its consulting committees are to be paid out of the consolidated revenue fund of the province.

Marketing powers.- The act authorizes creation of a negotiating agency and/or a marketing agency for any specified product. As in Ontario, producers may choose one or the other or may combine the two procedures. The draft of a marketing plan or scheme being submitted for approval of the Quebec board must name the agencies which are to be recognized as the exclusive agencies in their respective fields. The provincial board is not concerned with the details of marketing any specific product; this is left to local boards. The provincial board is concerned with the broader function of coordinating, supervising and assisting the local boards. It also has the authority to exempt certain producers or certain products from the application of various schemes.

Price fixing powers.- Where a plan is put into force, purchasers or their agents are bound to negotiate with the producers' board or its negotiating agent to fix a minimum selling price for the products to which the plan applies. Any person buying below this price is liable to a prescribed fine and costs plus the difference between the price he pays and the prescribed minimum price. The money collected from the difference in the two prices is to be payable to the provincial board and distributed to producers in proportion to their losses.

Other powers.- The provincial board has power to arbitrate disputes between producers, purchasers, processors or other persons dealing in the regulated product. Any powers enjoyed by the provincial board may be delegated by it to local boards and may be repealed at any time. The provincial board may make regulations concerning its internal government and its methods and practices in dealing with matters submitted to it.

The Quebec act is specific about not intending to replace or compete with co-operative organizations and says nothing in the application of the act must interfere with agreements made between a co-operative and a producer.

Federal-provincial co-operation.- The Quebec board may co-operate with similar bodies in Canada or in other provinces and for that purpose may exercise any powers conferred upon it under another jurisdiction.

ONTARIO FARM PRODUCTS MARKETING ACT

Products eligible.— This act relates to "farm products", which are defined as "animals, meats, eggs, poultry, wool, dairy products, grains seeds, fruit, fruit products, vegetables, vegetable products, maple products, honey, tobacco and such articles of food or drink manufactured or derived in whole or in part from any such product and such other natural products of agriculture as may be designated by the regulations."

Establishment of the board and schemes.— The Farm Products Marketing Board is appointed by the Lieutenant Governor in Council. The board, subject to the approval of the Lieutenant Governor in Council, may appoint officers and employees as it deems necessary. Local boards have jurisdiction only over a specified product or group of products produced in Ontario or in a defined area within the province. Action may be initiated by any group of producers of a product who sign a petition requesting that a scheme be established. The provincial board then draws up a proposed scheme and submits it to a vote of the producers concerned. The percentage voting in favor of a scheme is to be fixed by regulation; in the case of the tobacco marketing plan, voted on in May 1957 it was fixed at not less than 60 per cent of those voting and 51 per cent of those eligible to vote. At present (1957) 14 schemes operate under the act. In addition there are three marketing schemes operate under the jurisdiction of the Milk Industry Act which were originally established under the Farm Products Marketing Act and have since been transferred. These are described in the following section.

Registration and licensing.— The provincial board may require persons engaged in producing or marketing a regulated product to register with it or with the appropriate local board. Any person who meets the requirements of experience, financial responsibility and equipment may obtain a license under a marketing plan.

In the case of negotiating schemes the license fee is set by the provincial board and the amount is set out in the regulations. In the case of marketing agencies the service charge is set by the local board appointing the agency and is not specified in the regulations.

Finance.— The members of the provincial board are paid according to determinations of the Lieutenant Governor in Council out of sums appropriated for the purpose by the legislature. Money to carry out regulations of the provincial board and to finance local boards and schemes comes from the license fees and service charges.

Marketing powers.— The provincial board may designate a marketing agency upon the recommendation of a local board and require that a regulated product be marketed exclusively through that agency. The provincial board may authorize the agency to direct and control marketing as to time, place, quantity, and type of grade of product.

As an alternative approach to market regulation the provincial board may establish a negotiating committee with respect to any regulated product. The committee does not market the product but negotiates minimum prices at which any purchase or sale may be made. The committee includes representatives of the growers and of the processors or dealers who buy the products. As well as minimum prices the committee may determine such things as handling charges, specifications for various grades, and other terms of purchase and sale which, when approved by the provincial board, become binding on all persons concerned. Most of the schemes which have been put into effect up to the present time have provided for negotiating committees rather than single sales agencies.

Price-fixing powers.- The provincial board does not fix prices but, where a marketing agency is functioning, may delegate to it the power to fix a price or schedule of prices based on variety, grade and geographic district. In practice the price must be set in light of the supply and demand situation. Under schemes which provide for the establishment of a negotiating committee the price "fixing" is really a price "agreement". The committee is composed of representatives of both buyers and sellers. The price upon which they agree is only a minimum price and the contract between individual growers and processors may specify a higher price. Where the committee fails to reach agreement the matter is referred to arbitration and an "award" is made, which is binding on both parties.

Other powers.- The provincial board has the right to delegate many of its powers to local boards and, when a marketing agency has been designated, the agency may be authorized to issue orders relating to such things as prices, times and places of marketing. The Ontario act differs from those of other provinces in being more specific as to which powers may be delegated by the provincial board and which are to be exercised directly through orders and regulations. The provincial board may authorize a pooling procedure for any regulated product but up to the present time pools have not been used extensively. A more general provision of the act allows the provincial board to "stimulate, increase and improve the marketing of farm products by such means as it may deem proper".

The provincial board is empowered to investigate and arbitrate in any dispute between producers, processors or distributors. In practice arbitration has been handled in the past by "negotiating boards" created for specific occasions rather than by the permanent provincial board. A recent example of the arbitration procedure occurred in the canning industry in March, 1957. The regular negotiating committee composed of representatives of producers and processors was unable to reach agreement on the minimum price for tomatoes for canning. Under such circumstances either the producers or the processors, through their respective representatives on the committee, may request that the matter in dispute be settled by arbitration. The producers appointed Mr. H.E. Harris, Q.C. and the processors appointed Mr. T.D. Delamere, Q.C. to represent them on the arbitration board. These two agreed in recommending that

the Farm Products Marketing Board appoint Judge H.E. Fuller, Q.C. as the third member of the board. Had the producer and processor representatives not agreed on the third member the Farm Products Marketing Board would have made an appointment. Briefs were heard on behalf of both producers and processors. The award subsequently made by the board set a minimum price between what producers had requested and what buyers had offered. The arbitration board, having settled all matters in dispute, then dissolved allowing the normal marketing procedure to carry on.

Under a 1957 amendment, in any prosecution the onus of proof that a product involved was not a regulated product is with the accused.

Federal-provincial co-operation.- The provincial board is authorized to co-operate with marketing boards or agencies in other provinces for the marketing of any regulated product. The act does not specifically mention co-operation with the Federal government. The Federal government has assisted several of the schemes, however, by extending their powers in interprovincial and export trade, as provided for under the Agricultural Products Marketing Act, 1949. A 1957 amendment to the act provides that where an offence is established in relation to local regulation of marketing, during the course of an unproven charge under the Agricultural Products Marketing Act, the justice may convict the accused under the Farm Products Marketing Act although no information has been laid under it.

ONTARIO ASPARAGUS GROWERS' MARKETING SCHEME

Products eligible.- The scheme applies to asparagus, to be used for processing, and produced in the counties of Lincoln, Welland, Halton, Peel, Wentworth, Brant, Norfolk and Essex.

Establishment of the scheme.- This was one of the earliest marketing schemes in Ontario. It began operations in 1938 after some growers had been experimenting with voluntary control measures. One unique feature of the scheme is that it combines negotiating procedure and marketing agency operations.

The scheme authorizes establishment of a local board to consist of ten members elected by the district committees. There are four district asparagus growers' committees. Each district consists of one or more counties and the district committee is elected by the growers within the counties on the basis of one member for each 50 growers. Members of the district committees and of the local board are elected for one-year terms.

Registration and licensing.- Every grower is deemed to be the holder of a license. Licenses must be obtained annually by processors. The board issues the licenses upon application without charge.

Finance.- Growers pay a license fee of one-half cent per pound of asparagus delivered to a processor. The fee is deducted by the

processor and forwarded to the local board. The board uses the revenue to carry out the provisions of the act, the regulations and the scheme.

Marketing powers.- A negotiating committee is established with three members appointed by the local board and three by the processors. The committee sets a minimum price and various terms of purchase and sale, such as transportation and storage charges. The provincial board has designated the Ontario Asparagus Growers' Co-operative Limited as the sole agency to market asparagus. The co-operative adheres to all conditions of price, etc. determined by the negotiating committee. The co-operative is expected to allocate the total tonnage available among the various processors. It arranges deliveries and receives payment so that there is no direct transaction between the individual grower and processor.

The provincial board delegates to the local board the power to prohibit the marketing of any variety, grade or size of asparagus.

Price-fixing powers.- Minimum prices are agreed upon by the members of the negotiating committee. Different grades bring different prices but each processor pays the same price for the same grade, and prices agreed upon prevail throughout the marketing season.

Other powers.- A regulation of the provincial board provides that, where the negotiating committee fails to arrive at an agreement before March 1 of any year, a negotiating board shall be created to settle the matters in dispute. A negotiating board consists of three members, one appointed by the members of the negotiating committee appointed by the local board; one appointed by the processors' representatives on the negotiating committee; and one selected by the first two members immediately after they are appointed.

ONTARIO PEAR, PLUM AND CHERRY GROWERS' MARKETING SCHEME 1/

Products eligible.- The scheme applies to all varieties of pears and plums and to both sweet and sour cherries. To be eligible for regulation the fruit must be grown in Ontario and sold for processing in Ontario.

Establishment of the scheme.- A local board of nine members is established by the scheme, known as the Ontario Pear, Plum and Cherry Growers' Marketing Board. These members are elected by the five district committees with one or more from each district. The district committees in turn are elected by the growers in their respective districts. The size of the committees varies on the basis of one member per 50 growers.

Registration and licensing.- Growers are deemed to be license holders and must pay a license fee. Dealers and processors must apply for licenses and may not operate without a license. The license must be renewed annually but there is no charge for issue or renewal.

1/ A new order was made on May 23, 1957.

Finance.- The fee paid by growers is 50 cents per ton of pears, plums or cherries processed. The processor deducts the fee before making payment for the fruit and forwards the fee to the local board not later than December 1 each year. The money from fees is used by the local board to meet any expenses incurred by it.

Marketing powers.- The terms of marketing are agreed upon by negotiating committees. These committees each consist of six members; three appointed annually by the local board and three by processors. Five of the committees negotiate on a specific variety or type of fruit - Bartlett pears, Kieffer pears, plums, sour cherries and sweet cherries. A sixth committee negotiates on charges for selling and transporting the fruit. Membership of this committee includes dealers instead of processors. The area of negotiation of the five single-product committees includes minimum prices, storage charges, form of contracts and terms of purchase and sale.

Price-fixing powers.- Neither the provincial board nor the local board arbitrarily fixes prices. The prices agreed upon by the committees are the result of negotiation between buyer and seller and can only be enforced as minimum prices. The price may be dependent upon class, variety, grade or size of the fruit.

Other powers.- The regulations require that processors make payment through the local board rather than direct to producers. The local board also has power to limit or prohibit the marketing of any variety, grade or size of pears, plums and cherries.

Earlier orders and regulations issued by the board mentioned more incidental powers than do the current regulations. For instance the local board was authorized to "stimulate, increase and improve" the marketing of the regulated products. The local board also had power to designate a sole marketing agency but did not do so. Present regulations are less detailed in such things as procedure at board meetings but the powers exercisable by the board are not significantly altered.

THE ONTARIO PEACH GROWERS' MARKETING SCHEME 1/

Products eligible.- The scheme applies to peaches grown in Essex, Kent, Norfolk, Lincoln, Welland and Wentworth and subsequently used for processing. It does not apply to the fresh-peach trade.

Establishment of the scheme.- The growers in each of the six counties form a county group and the county group elects representatives (one per 50 growers) to the District Peach Growers' Committee. There are four districts and each of them names one or more members to the local board. The scheme, including the provision for the local board and district committees, was authorized by the Lieutenant Governor upon recommendation of the Farm Products Marketing Board.

1/ A new order was made on May 23, 1957.

Registration and licensing.- The provincial board's regulations require that a license be obtained by three classes of persons; growers, dealers and processors. The form of each license, and of the application for a license, is set forth in the scheme. Licenses for dealers and processors are available without charge and must be renewed in March each year. License fees for growers are at the rate of 50 cents for each ton of peaches delivered to a processor. The processor deducts the fee before paying the grower and forwards it to the local board.

Finance.- Operations of the local board are financed by the license fee mentioned in the preceding paragraph.

Marketing powers.- The Farm Products Marketing Board does not designate an agency to do all marketing but provides for the establishment of a negotiating committee. The committee is composed of six people, three named by the local board and three named by processors. Appointments are for a one-year term and in any case where appointment is not made the provincial board may name the required number of people to complete the committee.

A second negotiating committee is established to deal with selling and transporting of peaches for processing. This committee also is composed of six members, three named by the local board and three by dealers.

The negotiating committee for peaches for processing has power to determine minimum prices, terms of purchase and sale, storage charges and forms of contracts.

The negotiating committee for selling and transporting of peaches may determine or agree upon handling, transporting or selling charges by dealers.

The local board also has the power, delegated to it by the provincial board, to prohibit the marketing of any variety, grade or size of peaches.

Price-fixing powers.- As already indicated the negotiating committee is concerned with prices rather than with doing the marketing itself. Prices agreed upon for any class, variety or grade of peaches are only minimum prices. The actual price is settled by the grower, or a dealer on behalf of the grower, bargaining with a processor.

Other powers.- The provincial board has provided for an alternative procedure in cases where either of the negotiating committees fails to arrive at an agreement. In such instances a negotiating board is to be created. One member is to be appointed by the members of the negotiating committee who were appointed by the local board. A second member is appointed by the members of the negotiating committee appointed by the processors (or dealers). The third member of the negotiating board is to be someone agreed upon by the other two members.

ONTARIO SUGAR BEET GROWERS' MARKETING SCHEME

Products eligible.- The scheme applies to sugar beets grown and processed in Elgin, Essex, Huron, Kent, Lambton and Middlesex Counties.

Establishment of the scheme.- A local board is created consisting of 11 members and known as the Southwestern Ontario Sugar Beet Growers' Marketing Board. The area is divided into 11 districts, with boundaries defined in the scheme, and each district elects a five-man committee. The committee in each district then appoints one member of the local board.

Registration and licensing.- Every grower of sugar beets is deemed to be the holder of a license though he need not actually apply for one. Growers pay a license fee of five cents per ton of beets marketed. Processors must make application to the provincial board and obtain a license before April 1 each year. There is no fee for a processor's license. The sale of sugar beets is prohibited except to a licensed processor.

Finance.- The fee of five cents per ton of beets is borne by producers but payment is made by the processor, who deducts it from money due to the producer and forwards it to the local board. The fees are used for the purpose of carrying out and enforcing the provisions of the act, the regulations and the scheme.

Marketing powers.- There is a negotiating committee established with power to settle minimum prices, terms of purchase and sale, and charges for handling, storage, etc. The committee consists of six members, three appointed annually by the local board and three by the processors. Annual agreements signed by the committee allow producers to deliver to the processor's plant or to a weigh station. In the latter case the price is slightly lower (75 cents per ton deducted). Pit storage of beets, when ordered by the processor, shall be paid for by the processor at a rate of not less than one dollar per ton.

Price-fixing powers.- The regulation establishing the scheme does not deal with price fixing but a regulation of the provincial board authorizes the negotiating committee to set minimum prices. The prices set constitute a table with gradations according to the per cent sugar content in the beets and according to the price received by the processor for the sugar. There is provision for grower and processor to share equally in the increase or decrease if the rate of extraction of sugar per ton of beets is greater or less than expected. There is also a provision for the grower to share in the returns received by the processor for by-products.

Other powers.- The provincial board reserves the right to appoint members to the negotiating committee if either the local board or the processors fail to appoint their respective representative.

If the committee cannot reach agreement the matters in dispute are referred to a negotiating board. The board consists of three members - one appointed by agreement of the other two after they have been appointed, one each by the grower-members and the processor-members of the committee. Again the provincial board has the right to complete the appointments if they are not otherwise made.

ONTARIO SEED CORN GROWERS' MARKETING SCHEME

Products eligible.- "Seed corn" is defined in the scheme as every kind and variety of open-pollinated or hybrid corn produced in Ontario except pop-corn and sweet corn.

Establishment of the scheme.- The local board called the Ontario Seed Corn Growers' Marketing Board is elected directly by growers. This differs from the procedure under most schemes where the growers elect "district committees" which in turn elect the board. Ontario is divided into three districts namely Essex County, Kent County, and all other parts of Ontario. The three districts elect two, four and one members respectively. Elections for the board are held annually before March 31.

Registration and licensing.- All growers must register with the local board and provide such information as the board requires. The provincial board issues licenses, upon application, to dealers and to growers who desire to market their own produce. Growers who do not obtain a "seller's" license must deal with a licensed dealer. Licenses are issued without charge and must be renewed each year. Every grower is deemed to be the holder of a grower's license and pays a fee of two cents per bushel of seed corn marketed.

Finance.- When the grower is licensed as a seller he pays the fees directly to the local board. When the grower delivers his product to a dealer the latter deducts the fee before paying him and forwards it to the local board. The money received by the local board may be used to enforce and carry out any provision of the act, the regulations or the scheme.

Marketing powers.- Sales of seed corn must comply with terms drawn up by the negotiating committee. The committee represents both producers and dealers with six members being appointed by the local board and six by dealers. There is a further balance of power in the fact that the grower-members and dealer-members are equally divided with three in each group being interested in hybrid corn and a similar number interested in open-pollinated varieties. The committee, appointed annually, draws up an agreement before the marketing season begins and in it are the forms of contracts to be used, the minimum price which may be paid, and various other terms of purchase and sale.

Price-fixing powers.- The prices established by negotiation are

minimum prices and growers may ask, or dealers may offer, higher prices. The agreement sets a series of prices with differentials according to whether the grower or dealer accepts responsibility for supplying seed, detasseling, shelling, drying, etc. In practice the base price has been the price in Chicago of May futures averaged for the three months December, January and February. To this base a premium is added which usually amounts to about 30 per cent of the Chicago price.

Other powers.- The provincial board has power to make appointments to the negotiating committee if either the growers or dealers fail to do so. The board also has the right to review any agreement made by the committee.

In cases where the committee fails to reach agreement a negotiating board is appointed to settle the matters in dispute. One member of the board is appointed by grower representatives on the committee and one by dealer representatives. The third is selected by the two thus appointed.

ONTARIO BERRY GROWERS' MARKETING SCHEME

Products eligible.- Raspberries and strawberries produced in Ontario and used for processing are the products under this scheme.

Establishment of the scheme.- An order in council named the original seven members to constitute the Ontario Berry Growers' Board and provided for election of their successors. The board is elected by the District Berry Growers' Committees. There is a committee, elected by growers, in each of five districts defined in the scheme. Appointments to the committee and to the local board are for one-year terms.

Registration and licensing.- Berry growers are assumed to be licensed and are required to pay a license fee. Buyers and processors respectively must make application to the provincial board for their licenses. These are issued without charge and must be renewed annually.

Finance.- The local board pays expenses incurred by it out of the money raised as license fees.

Marketing powers.- Two negotiating agencies are established by regulations of the provincial board. They are the Negotiating Committee for Raspberries and the Negotiating Committee for Strawberries. Each committee is composed of six persons, three appointed annually by the local board and three by the processors. The committees have power, in relation to their respective products, to negotiate and settle minimum prices, form of contracts to be used, terms of sale and storage charges.

Price-fixing powers.- Before each marketing season begins the negotiating committees publish the agreement they have arrived at for various types and grade of product. Processors or growers are

still free to bid or ask more than the legal minimum prices but may not deal below these terms.

Other powers.- The negotiating committees have also ruled on such questions as whether containers shall be included in the minimum price and how soon after delivery payment must be made. Other powers of the local board include power to prohibit the marketing of any variety, grade or size of berries. In more general terms the role of the local board is to stimulate and improve the marketing of berries by such acts as it deems advisable. The provincial board has the right to review all agreements made by the negotiating committee. There is also provision for the appointment of a negotiating board in any year when either of the negotiating committees fails to arrive at an agreement. A negotiating board consists of three members, one appointed by the producer-members on the negotiating committee and one by the processor-members. The third is agreed upon by these two.

ONTARIO BEAN GROWERS' MARKETING SCHEME

Products eligible.- The scheme applies to white pea-beans and yellow-eye beans produced in the counties of Kent, Huron, Perth, Lambton, Middlesex and Elgin.

Establishment of scheme.- Original members of the board were named in the scheme and the method of appointing successors is set forth. The local board consists of 11 members with one or more from each of the five districts defined in the scheme. Within each district there is an elected bean growers' committee which makes the appointments to the local board.

Registration and licensing.- Every grower is deemed to be a license holder and pays a fee to the local board. Dealers must obtain a license annually but there is no charge for their licenses. Applications for licenses are submitted to the provincial board and growers may further be required to register with the local board.

Finance.- The local board carries out the provisions of the act, the regulations and the scheme with the moneys received as license fees. Dealers deduct the amount of the fee before paying the grower for his beans and fees must be forwarded promptly to the local board. The rate of the fee has been set at 50 cents per bushel.

Marketing powers.- Bean marketing is not conducted through a single agency but a negotiating committee insures that certain conditions are met in all sales. The committee consists of ten persons, five appointed annually by the local board and five by the dealers. The committee has power to negotiate and settle terms of sale, forms of contracts, minimum prices and charges for handling and storage.

Price-fixing powers.- The provincial board's regulations mention only minimum prices to be paid by dealers. Agreements made by the committee allow for differences in price according to percentage of damaged beans, moisture content and date of delivery.

Other powers.- The provincial board has reserved certain powers for use if the need arises. It may appoint members to the negotiating committee if they are not appointed as prescribed in the regulations. It may also review any agreements or awards made by the committee. If the committee fails to arrive at an agreement a negotiating board of three members may be appointed. One person is named by the five committee members representing the local board, one by the five members representing dealers, and a third is appointed by the first two. The negotiating board may settle any matter referred to it by the negotiating committee. The provincial Board delegates to the local board power to prohibit marketing of any grade or size of beans; to require the furnishing of security by persons engaged in marketing; or to exempt individuals from the orders and directions of the local board.

ONTARIO VEGETABLE GROWERS' MARKETING SCHEME

Products eligible.- The vegetables included under the scheme are green or wax beans, beets, cabbage, carrots, sweet corn, green peas, tomatoes, lima beans, long green cucumbers, pumpkin and squash. Growers in 28 counties mentioned in the scheme automatically come under its jurisdiction while those in other counties may participate, if they so desire, by joining the nearest county group.

Establishment of the scheme.- Eight districts are designated in the scheme. A district consists of one or several counties and a district Vegetable Growers' Committee is elected with the number of representatives from each county proportional to the number of growers. The district committees, in turn, elect the local board with the number of representatives for each district being specified in the scheme. Election to either the district committee or the local board is for a one year term.

Registration and licensing.- Growers do not actually obtain a license from the provincial board but the regulations of the provincial board say "every grower shall be deemed to be the holder of a license". Processors must obtain a license every year which expires on March 31. There is no charge for a processor's license.

Finance.- Growers pay a fee of one-half of one per cent of the total sale price due to them for vegetables delivered to processors. The fee is deducted by the processor and sent to the local board. The money is used by the local board to carry out and enforce the provisions of the act, the scheme and regulations.

Marketing powers.- Negotiating committees are established for the vegetables covered in the scheme; one committee for

each vegetable. A committee consists of six members appointed annually, three by the local board and three by the processors. The committees may determine minimum prices, terms of purchase and sale, form of contracts, and charges for transportation, storing and selling.

Price-fixing powers.- No prices are set in the scheme or in regulations of the Board. Price agreements are made by the negotiating committee established for each vegetable. The agreements set only minimum prices with the actual prices being subject to agreement between the individual processor and grower.

Other powers.- The local board has power to inspect the books of persons engaged in production or marketing of vegetables. Such persons may be required to register with the local board and furnish such information as the board requests.

Another procedure provided for by a regulation of the provincial board is recourse to a negotiating board when the negotiating committee fails to arrive at an agreement. In such cases the three committee members representing processors name one board member and the three representing growers name one. These two then select a third member to complete the board. If any of the three members are not appointed as prescribed the provincial board may name one or more persons to complete the board. The negotiating board deals only with matters specifically referred to it by the negotiating committee.

ONTARIO HOG PRODUCERS MARKETING SCHEME

Products eligible.- The scheme applies to hogs produced anywhere in Ontario except the territorial districts and the provisional county of Haliburton. It applies to hogs marketed for processing but not to sales from one producer to another producer or to a retail butcher.

Establishment of the scheme.- As first established the scheme provided for licensing of producers and processors and the creation of a negotiating committee but a single sales agency was not named until 1953. The scheme calls for the establishment of a local board known as the Ontario Hog Producers' Marketing Board, consisting of 11 producer-members. Seven of these are elected, one per district, by the District Hog Producers' Committee in each of the seven districts into which the province is divided by the scheme. The seven elected members appoint four additional producers who complete the local board. The scheme, including provision for a local board, was approved by the Lieutenant Governor in Council upon the recommendation of the provincial board.

Registration and licensing.- The provincial board issues licenses to processors for a fee of one dollar. Every processor must obtain a license and it must be renewed annually. A license is also required for anyone who carries on the business of shipping hogs. These licenses

also costing one dollar, are issued by the local board. The provincial board and the local board may also revoke or refuse to renew the license of a processor or shipper respectively, except that the applicant has a right to appear and show cause why the provincial board or local board should not take such action.

Finance.- Regulations of the provincial board authorize the local board to fix a service charge for all hogs marketed. The rate set by order of the board is 24 cents per hog and this amount is deducted by the marketing agency before payment is made to the producer. The agency also pays to the local board its expenses in carrying out the scheme.

Marketing powers.- Upon the recommendation of the local board the provincial board has designated the Ontario Hog Producers' Co-operative as the only agency which may market hogs. The agency may direct the times and places at which all hogs are to be marketed. The actual pick-up, assembly, and delivery of hogs by drover or shipper continue much the same as before the scheme was introduced; the differences are more obvious in the pricing procedure.

Price-fixing powers.- Prices are "set" by representatives of the agency and of the major processors who meet in Toronto. The meetings take place every morning or every few days and the prices established are effective until the succeeding price is set. All buyers are bound to pay this price and the individual producer does not negotiate with the processor. The only prices set are those to the producer and there is no control over subsequent sale prices.

Other powers.- The provincial board authorizes the local board to "stimulate, increase and improve the marketing of hogs by such means as it may deem proper". One power which the board has but has not used in regard to hog marketing is the power to authorize the pooling of receipts from marketings. The pool would be operated by the marketing agency which would deduct all authorized charges then distribute the remainder among producers in relation to the number, size, grade, etc. of hogs delivered by each producer during the pooling period.

Federal-provincial co-operation.- Under the Agricultural Products Marketing Act the powers of the local board have been extended to cover interprovincial and export trade. For instance hogs produced in eastern Ontario and shipped to a packing plant in Quebec are sold on the same terms as hogs sold in Ontario. If a Quebec packer fails to offer the price established in Ontario the hogs may be directed by the agency to another plant. The local board is also given authority to co-operate with a hog marketing agency or board in any other province.

ONTARIO GRAPE GROWERS' MARKETING SCHEME

Products eligible.- The scheme applies to grapes grown in Ontario and subsequently used for processing. Specifically mentioned are the counties of Lincoln, Welland and Wentworth.

Establishment of the scheme.- The regulation establishing the scheme provides for a local board to be known as the Ontario Grape Growers' Marketing Board. The local board consists of seven members, appointed by the Grape Growers' Committee. Seven districts are defined in the scheme and the Grape Growers' Committee is elected annually with the number of representatives from each district depending on the number of growers in the district.

Registration and licensing.- Regulations of the provincial board provide for licensing of growers, processors, and dealers. Every grower is deemed to be the holder of a license. Dealers and processors must apply for their respective licenses. These are issued annually and without charge by the provincial board.

Finance.- Grape growers pay a license fee of 50 cents per ton of grapes marketed for processing. The fee is deducted by the processor before paying the producer and it must be forwarded to the local board not later than December 1 in any year.

Operations of the local board in carrying out the act, scheme and regulations are financed by the license fee.

Marketing powers.- Regulations of the provincial board authorize the local board to appoint a marketing agency through which all grapes would be marketed. However, the local board has not exercised this power. In practice growers may sell wherever they choose as long as the sale conforms to terms settled by the negotiating committee. The Negotiating Committee for Grapes is made up of six persons; three appointed by the local board and three by processors. The committee agrees upon a minimum price to be paid by all processors or dealers. A second committee known as the Negotiating Committee for Handling and Transporting of Grapes is established with power to decide on charges for handling, transporting and selling. This is also a six-man committee with three appointments made by the local board and three by dealers, buyers or shippers.

Price-fixing powers.- The prices which the negotiating committee for grapes may set are minimum prices for various classes, grades, varieties or sizes of grapes. Theoretically the grower-members of the committee could hold out for any price chosen arbitrarily but in practice the proximity of New York State's grape-growing area sets limits on what they can expect processors to agree to.

Other powers.- The local board is given power to "stimulate, increase and improve the marketing of grapes by ... such acts as it deems advisable." Another clause of the scheme authorizes the local board to "control the marketing" and "regulate the sale" of grapes.

One regulation in the nature of a "stand-by" procedure provides for the creation of a negotiating board in cases where either of the negotiating committees fails to reach agreement. The board consists of three members with one appointed by the committee concerned and one each by the members of the committee representing, respectively,

the local board and the processors (or dealers). The negotiating board, when one exists, may settle any matter referred to it by the committee but may not rule on questions of its own choosing.

ONTARIO SOYA-BEAN GROWERS' MARKETING SCHEME

Products eligible.— The scheme deals with soya-beans grown and marketed in Ontario.

Establishment of scheme.— The local board, known as the Ontario Soya-Bean Growers' Marketing Board, consists of 11 members. The scheme divides the area in Ontario where soya-beans are produced into six districts; with the growers in each district electing a committee. Each district committee then names one or more members to the local board according to the number authorized by the scheme.

Registration and licensing.— Regulations of the provincial board require every grower, dealer and processor of soya-beans to have a license. All growers are deemed to be license-holders but dealers and processors must make application to the board and actually obtain a license. Licenses for dealers and processors are issued without charge and are valid until August 31 following the date of issue. Licenses are issued by the provincial board but the local board has power to require persons growing or marketing soya-beans to register their names and addresses with it.

Financing.— Growers pay a fee of one cent per bushel of soya-beans marketed. The fee is deducted by processor and forwarded to the local board. Money deducted in any month must be forwarded not later than the 15th of the following month. With the funds received the local board pays expenses incurred by it in carrying out and enforcing the provisions of the Act, regulations and scheme.

Marketing powers.— Growers are not restricted as to where, when or whom they sell but all sales must be in accordance with certain terms agreed upon by the negotiating committee. The latter agency is composed of 12 members appointed as follows: six by the local board, three by processors and three by dealers. The committee has power to negotiate and settle minimum prices, handling and selling charges, conditions and form of contracts. Appointments to the committee as well as agreements reached by the committee are effective for only one year.

Price-fixing powers.— The local board is authorized to set minimum prices for soya-beans or for any variety grade or class of them. In practice this has not been done. Instead the negotiating committee has recommended that the minimum price for each day be the trading price established on an open market basis. The reason given by the board for this practice is that in recent years Canada has imported, duty free, approximately half her soya-bean requirements. Since soya-beans are freely imported it would obviously be impractical to set the Ontario price higher than the price of imported soya-beans. Agreements signed

annually by the negotiating committee have contained a statement to the effect that the processors shall pay the highest possible price consistent with the prices received by the processors for their products.

Other powers.- A negotiating board may be created where the negotiating committee fails to arrive at an agreement. The board is to consist of three members one appointed by the six members of the committee representing the local board, one by the six members representing dealers and processors, and the third by the first two. The provincial board reserves the right to make appointments to either the negotiating board or committee in cases where the authorized person or group fails to do so.

Powers of the local board include the right to require persons engaged in the production or marketing of soya-beans to furnish information regarding their operations and to permit inspection of their books and premises. Marketing agreements go into some detail regarding the transaction between grower and processor. Such things as discounts, for high moisture content and inspection procedure, in case of disputes, are not to be negotiated by individuals but are set forth in the agreement. In general terms the local board's powers are extended to stimulating, increasing and improving the marketing of soya-beans by doing such acts as it deems advisable.

ONTARIO WINTER CELERY GROWERS' MARKETING SCHEME

Products eligible.- The scheme applies in the counties of Brant, Halton, Peel, Wentworth, York, Lincoln, Welland, Haldimand, Lambton and Simcoe.

"Winter celery" is defined as every variety of celery grown in the area for marketing after October 15 in any year.

Establishment of the scheme.- The regulation establishing the scheme named five members to constitute a Winter Celery Marketing Board and provided for election of their successors. One member of the board is elected from each of three districts and two from a fourth district. The districts, as defined in the scheme, each have a District Committee elected by the growers on the basis of one representative for each 25 growers.

Registration and licensing.- Celery growers are required to pay a license fee based on the amount of celery marketed but no tangible license is issued. Dealers do receive licenses which must be renewed annually but are issued free of charge. In addition to the licensing by the provincial board registration of producers and dealers may be required by the local board.

Finance.- The local board finances its operations with money received as license fees; at the rate of one cent per 65 lb. crate.

Marketing powers.- Growers of winter celery may market their own produce but must comply with conditions determined by the negotiating committee. The latter body has power to set a minimum price; to outline the form of sales contracts; to establish grades, and price differentials according to grade or type of product. The negotiating committee consists of six persons; three appointed annually by the local board and three by the dealers.

The local board is authorized to appoint persons and take action as it deems advisable to stimulate and improve marketing.

Price-fixing powers.- The prices set for celery are minimum prices for various grades and inspection certificates may be required to accompany any shipment being sold below the first grade price. The price over which the negotiating committee has jurisdiction is only the price on the first sale from producer to dealer.

Other powers.- The local board has power to prohibit the marketing of any grade or size of celery. It may also inspect the books and premises of persons producing or marketing the regulated product and require them to furnish information on their operations.

The provincial board reserves the right to review any agreement made by a negotiating committee or a negotiating board. The latter agency is not in continuous existence but is created to settle any points upon which the committee cannot reach agreement. It consists of three members, one appointed by the committee members representing growers, one by those representing dealers and the third member is subsequently named by the first two.

ONTARIO HONEY PRODUCERS' MARKETING SCHEME

The honey marketing scheme never came into operation because of legal difficulties in regulating the marketing of honey sold in Ontario but not produced in the province. As it has not been found possible to amend the Farm Products Marketing Act to provide for this degree of regulation the honey producers' representatives have not requested that the scheme be put into effect. The following description indicates the way in which the scheme would operate.

Products eligible.- The scheme applies to honey produced in all the counties of Ontario and the Provisional County of Haliburton.

Establishment of board.- A local board of six members has been named, to hold office until their successors are elected. There is provision for division of the regulated area into six districts, each of which is to have a District Honey Producers' Committee. Each district is to be composed of a number of groups of counties. Each district group is to elect a producer representative every year to the District Honey Producers' Committee on the basis of one to a county. The District Honey Producers' Committee is then to elect a member to the honey board.

Registration and licensing.- The scheme provides for the licensing of dealers by the Farm Products Marketing Board. Licenses are to be issued without charge.

Finance.- There are no provisions in the scheme or regulations for the collection of fees or levies.

Marketing powers.- The regulations provide that producers must sell or deliver honey to a licensed dealer. The following exemptions are listed on honey:- (a) sold by a producer to a consumer; (b) produced and sold by a producer to a retailer; (c) produced and sold by a producer with fewer than ten colonies of bees.

Price-fixing powers.- There is provision for the establishment of a Negotiating Committee of six members, three appointed by the local board and three appointed annually by processors. The Negotiating Committee would have power to negotiate agreements on minimum prices, conditions of sale, grades and price differentials. If it failed to reach agreement the matters in dispute would be referred to a negotiating board of three members, one appointed by the producer representatives of the Negotiating Committee, one by the processor representatives and the third by these two members or, failing agreement, by the Farm Products Marketing Board. Any agreement reached by the Negotiating Committee or a negotiating board would have to be submitted to the Farm Products Marketing Board for approval.

ONTARIO FRESH-PEACH GROWERS' MARKETING SCHEME 1/

Products eligible.- The scheme covers all peaches grown in Ontario except peaches which are subsequently used for processing. The marketing which is regulated does not include sales from grower direct to consumer.

Establishment of the scheme.- Provision is made in the scheme for the election of a local board to be known as the Ontario Fresh-Peach Growers' Marketing Board. The local board consists of nine members who are elected by district committees. Growers in each county form a "county group" and these in turn elect one or more members to the district committee. The districts are defined in the scheme and also the number of members each is to name to the local board.

Registration and licensing.- Regulations of the Farm Products Marketing Board require that all persons who buy fresh peaches for resale must hold a "shipper's license". The license is obtainable from the local board for a fee of one dollar per annum. The local board may, for any reason it deems sufficient, revoke or refuse to issue a license. In such cases the applicant may appear before the local board or may appeal to the provincial board which may affirm or reverse the action taken by the local board.

1/ A new order was made on May 23, 1957, making some changes in the method of operation.

Finance.- The provincial board authorizes the marketing agency to pay the local board its expenses in carrying out the purposes of the scheme. The sale of licenses also provides revenue for the local board. The agency finances its operations by means of a service charge deducted from all the fruit it handles. The rate of service charge is set by the local board. For instance the 1956 deduction, shared by the agency and the local board, is 18.85 cents per six-quart basket for a specified grade and variety. In other words when the co-operative or a private dealer receives 74 cents for a basket the grower gets 55 cents. For other grades, varieties, or containers the margins vary slightly.

Marketing powers.- The Ontario Peach Growers' Co-operative is designated by the provincial board as the agency through which all fresh peaches shall be marketed. In practice the co-operative does not do all the marketing but has entered into agreements with shippers already established. The shipper can no longer receive peaches on commission but must buy them and pay at least the minimum price set from time to time by the local board. There is a provision for producers to deliver to the co-operative any peaches in excess of what can be sold at or above the minimum price. This provision was used in 1955 when a large crop, ripening very quickly, caused a surplus on the market. The co-operative put the surplus in storage and was able to sell some of it at a later date when the market strengthened. Some peaches also had to be dumped when markets could not be found. A pool is operated for that part of the crop which the co-operative puts into storage.

Price-fixing powers.- As already indicated the local board sets only a minimum price and it may be adjusted several times during the season as market conditions change. The f.o.b. price which dealers must receive is set and also the price which they must pay to growers. Some of the directives issued by the local board to the shippers and dealers have urged them not to accept the established minimum as "the" price but to realize as much as possible on their sales.

Other powers.- The local board is given power by the provincial board to inspect the books and premises of anyone engaged in producing or marketing fresh peaches. The provincial board authorizes the agency, in effect, to establish quotas or "to determine the quantity and grade of fresh peaches that shall be marketed by each producer". In practice this power has not been used and producers are permitted to sell all they produce. The local board has also been given very general powers to "do such acts and make such orders and directions as are necessary to enforce the due observance and carrying out of the provisions of the act, the regulations and the scheme."

Relationship to the processing scheme.- The fresh peach scheme is technically completely independent of the marketing-for-processing scheme for peaches. In fact, however, many producers belong to both and some of the same men function on boards or committees under the two schemes. Peach marketing is almost unique in the fact that the processing market is considered the premium market with the result that the fresh peach market (and scheme) bear most of the fluctuation

in production.

Federal-provincial co-operation.- Powers of the Ontario Fresh-^{each} Growers' Marketing Board have been extended to interprovincial and export trade under the Agricultural Products Marketing Act.

ESSEX-KENT SETT ONION GROWERS' MARKETING SCHEME

Products eligible.- This scheme applies to mature onions grown from setts in the counties of Essex and Kent. It applies to all marketing except sales direct from grower to consumer or from grower to retailer for resale to consumers.

Establishment of the scheme.- The scheme was established by a regulation of the Lieutenant Governor in 1954 upon recommendation of the Farm Products Marketing Board. Recommendation by the board came after the proposed scheme had been submitted to a vote of producers and was endorsed by more than two-thirds of them. The scheme could be revoked by a generally similar process. It was, in fact, voted upon in the spring of 1956 when the provincial board had reason to believe some growers were dissatisfied. Votes cast against the scheme were not sufficient to warrant revocation and the scheme continued to operate.

Procedure for electing a local board, the Essex-Kent Sett Onion Growers' Marketing Board, is outlined in the scheme. The Essex-Kent area is divided into three districts; the growers in each district elect a District Sett Onion Growers' Committee; each committee then elects two of the six members who constitute the local board.

Registration and licensing.- The provincial board, by regulation, has required that all dealers obtain a license from the local board. The licenses expire in March each year and the fee for issue or renewal is one dollar. Licenses can be obtained upon request except that the local board may refuse to issue or may revoke a license in cases where a dealer fails to comply with the scheme or regulations. There is no license for growers.

Finance.- Expenses incurred by the local board in carrying out the purposes of the scheme are met from marketing agency collections. The agency imposes a service charge but the rate is determined by the local board. The local board also has the money from the sale of licenses but the number of dealers is so small that very limited revenue is provided from this source.

Marketing powers.- The provincial board has ordered that all onions be marketed through one agency. The agency appointed is the Essex-Kent Sett Onion Growers Limited, recommended by the local board and its appointment can be revoked by a similar procedure. As with the Fresh-^{each} Marketing Scheme the designated agency has entered into agreements with dealers already in the trade who in

effect become sub-agents. There is no restriction or regulation of subsequent sales of the product after it leaves the authorized dealers.

Price-fixing powers.- The provincial board authorizes the agency to fix the price to be paid to producers. In practice the price, which is only a minimum price, is set after consultation between the agency and representatives of the dealers. The price may vary according to variety, size, grade or district.

Other powers.- The local board is given power to stimulate and improve marketing by such means as it may deem proper. It may also co-operate with a marketing board or agency in any other province. The local board may require persons engaged in marketing to furnish proof of financial responsibility. Growers and dealers may be required to give information concerning their operations and must allow inspection of their books and premises by the local board.

ONTARIO - The Milk Industry Act

Cheese, cream and concentrated milk marketing schemes were established under the Farm Products Marketing Act but were transferred to the supervision of the Milk Products Board established under Part III of the Milk Industry Act, 1954. In 1957 the Ontario Legislature passed the Milk Industry Act, 1957, creating the Milk Industry Board of Ontario to carry on the functions of the Milk Products Board and the Milk Control Board, which had been charged with the responsibility of directing the milk control provisions of the 1954 act. The new act has not yet been proclaimed. Sections 6 to 8 and part of section 5 contain the provisions relating to the establishment and operation of marketing plans for milk products.^{1/}

The provisions of the Milk Industry Act relating to the marketing plans handling dairy products are essentially the same as those in the Farm Products Marketing Act, except for the products to which they apply. For that reason a summary of the act as it relates to the establishment and operation of marketing plans for milk products has been omitted in this bulletin. The activities of the three marketing plans are, however, outlined in the following sections.

ONTARIO CHEESE PRODUCERS' MARKETING SCHEME

Products eligible.- The Ontario Cheese Producers' Marketing Scheme deals only with cheddar cheese.

Establishment of the scheme.- The scheme came into effect in 1937 and was transferred to the Milk Industry Act in 1955. Five districts in Ontario were defined, each consisting of several counties, and in each district a "District Cheese Producers' Committee" is elected by the producers. Each district committee then names one man for a five-member Ontario Cheese Producers' Marketing Board. The original members of the board were appointed by the Lieutenant Governor in Council but since their terms of office expired the producers have been free to elect their own board annually.

Registration and licensing.- Every cheese buyer must purchase a license annually. The licenses are issued by the Milk Products Board for a fee of one dollar. Producers of milk for cheese making are deemed to be license holders and pay a fee, deducted at the factory, of half a cent per pound of cheese.

Finance.- The cheese producers' marketing board meets its expenses with the fees collected from producers and buyers. The fee may also be used as security for loans obtainable from the provincial government.

^{1/} The act has been proclaimed, effective July 1, 1957.

Marketing powers.- The cheese producers' board has power to buy and sell cheese. The power is exercised from time to time through its selling agency, the Ontario Cheese Producers' Co-operative Ltd. but the usual practice is to refrain from buying as long as the trade continues to buy above the established minimum price. All cheese must be sold at an authorized cheese exchange (since early in 1956 only two exchanges, Kingston and Stratford, have been operating) and is sold by auction with the board, in effect, placing a reserve bid. Cheese bought by the board is held in storage until a suitable market can be found. The cheese marketing scheme differs from most schemes in that members of the board do not bargain for the price to farmers who produce cheese milk but rather the price to the factory for cheese.

Price-fixing powers.- The price of cheese is arrived at by negotiation between representatives of producers and buyers. Producer representatives are appointed by the cheese marketing board. The negotiating committee has a total membership of ten, five on each side, and all appointments are for a one-year term. The price set by the committee is only a minimum price. In cases where the committee is unable to reach agreement an arbitration board is appointed. One member is appointed by producers, one by buyers, and the third is named by the provincial government through the Milk Products Board. The board of arbitrators settles the price or other matters specifically referred to it then dissolves and allows normal negotiation procedure to continue.

Other powers.- In addition to setting prices the negotiating committee may make agreements on handling, storage and selling charges and the form and terms of contracts to be used. Regulations of the Milk Products Board also require that a seller of cheese register the quantity, grade, etc. with the secretary of the cheese exchange on the day of sale. Payment for cheese must be made to the exchange and is then forwarded to the seller, after the authorized license fee has been deducted and paid to the Cheese Producers' Marketing Board.

In more general terms the cheese board has authority to stimulate and improve marketing by such actions as it deems fit, including the prohibiting of marketing any grade or class of cheese.

Federal-provincial co-operation.- In accordance with the Agricultural Products Marketing Act the provisions of the cheese marketing scheme have been made applicable to inter-provincial and export trade as well as trade within Ontario.

Cheese producers have also made use of the federal Agricultural Products Co-operative Marketing Act. The 1957 agreement between the Ontario Cheese Producers Co-operative Ltd. and the federal Department of Agriculture guarantees an initial payment to producers of 24 cents per f.o.b. factory for first grade Ontario cheddar cheese produced in 1957 and delivered to the co-operative after May 1, 1957. This price is 80 per cent of the average selling price in the last three years, the maximum allowed under the act. In addition, the provincial government guaranteed an advance of 9½ cents per lb.

which does not increase the federal liability. The total guarantee in 1957 is therefore 33½ cents per lb.

ONTARIO CREAM PRODUCERS' MARKETING SCHEME

Products eligible.- The scheme applies to cream produced in Ontario and subsequently made into butter. It does not include cream used for butter-making on the farm where it is produced and does not include whey cream.

Establishment of the scheme.- The framework of the scheme has existed since 1947 but operations under it began only in 1955. The cream producing area of Ontario is divided into nine districts, each comprised of several counties, with a district cream producers' committee elected in each district. Each of the nine district committees elects one member of the Ontario Cream Producers' Marketing Board. Election to either a committee or the board is for a one-year term.

Registration and licensing.- Creamery operators must obtain a license annually from the Milk Products Board and pay a license fee of one dollar. Producers also pay a license fee at the rate of one-tenth of a cent for each pound of butterfat.

Finance.- Expenses incurred by the cream marketing board are paid out of the money received as license fees. Included in these expenses are contributions to the Milk Producers' Co-ordinating Board.

Marketing powers.- A negotiating committee is appointed each year with power to make agreements respecting minimum prices, price differentials between grades, conditions of transportation and sale, and form of contracts. The negotiating committee consists of ten members, five appointed by the Cream Producers' Marketing Board and five by creamery operators. If the negotiating committee is unable to reach agreement a three-man board of arbitration may be appointed to settle any matters referred to it. One member of the board is named by the five committee members representing the producers and a second by the five representing operators. The third is a disinterested chairman agreed upon by the other two or appointed by the Milk Products Board.

Price fixing powers.- The negotiating committee sets only a minimum price which must be paid to producers. The producer and the creamery may do business at a higher price. The committee may meet as frequently or infrequently as it chooses and each agreement is effective until a new one is made.

Other powers.- The negotiating committee may make agreements with respect to grades, quality, weighing and testing of cream for processing. The cream producers' board is instructed to appoint such persons and do such acts as it deems advisable to

stimulate and improve the marketing of cream.

ONTARIO CONCENTRATED MILK PRODUCERS' MARKETING SCHEME

Products eligible.- Manufactured milk products under the marketing regulations include condensed, evaporated and powdered milk.

Establishment of the scheme.- The Concentrated Milk Producers' Association was formed as early as 1935 under the Associations Act and minimum price negotiations were conducted under the Milk Control Act. Supervision of the board, set up in 1954 under the Farm Products Marketing Act, was transferred in 1955 to the Milk Industry Act. The members are the same as the directors of the association and some of the activities authorized by the scheme were already being carried on by the association.

The regulations under the scheme divide the province into a western and eastern zone with the eastern boundaries of York and Simcoe counties being the dividing line. Producers in the western zone elect five board members and those in the eastern zone elect three.

Registration and licensing.- License fees are paid by both producer and processor or manufacturer. Processors obtain an annual license at a cost of one dollar. Producers pay a fee of one cent per hundred pounds of milk sold for manufacturing. The processors deduct the fee before making payment to the producer for his milk.

Finance.- The Concentrated Milk Producers' Marketing Board is financed by the license fees. As well as directly financing its own operations the board may contribute to the producers' association and to the Milk Producers' Co-ordinating Board which serves the dairy industry as a whole.

Marketing powers.- The Concentrated Milk Producers' Board is designed to regulate or supervise marketing rather than to perform the marketing functions itself. One of the chief concerns of the board is the price to producers.

Price-fixing powers.- Milk producers elect committees to bargain with processors. Separate agreements are made with the manufacturers of the various products. For instance representatives of evaporated milk manufacturers do not bargain on the price of milk powder. The negotiators are free to base the price on any factors which they consider relevant. In practice the price of butter has been a major determinant of the price of milk for manufacturing purposes. The negotiating committee is not bound to meet at any specified dates and each agreement remains in force until the next one is made.

Other powers.- Although agreements with manufacturers are usually negotiated by a committee representing both sides, there is a stand-by procedure whereby a board of arbitration may be called upon. This happened, for instance, in October 1956. Producers of milk for powder were asking for a price increase to \$2.75 per 100 lb. from the existing price of \$2.50. Manufacturers offered an increase of ten cents per 100 lb. of milk for powder going to the domestic market and 15 cents per 100 lb. of milk for export powder. Manufacturers said they could not preserve their markets, either domestic or foreign, if they were to grant an increase as large as 25 cents. Producers argued that they could scarcely break even at any price below \$3.00 and would soon be forced out of business. They did not deny the threat of imports but said this problem should be tackled by the manufacturers and government in such a way as to not injure the farmer. They felt they had done everything possible to put their own house in order. They also pointed out that milk for other uses had recently experienced price increases. Since producers and manufacturers were thus unable to agree they asked for a board of arbitration to settle the issue. Each side appointed one representative and a chairman was named by the Milk Products Board.

MANITOBA - NATURAL PRODUCTS MARKETING ACT

Products eligible.- The term "natural product" is defined as any product of agriculture or of the forest, sea, lake or river and any article of food or drink wholly or partly manufactured from such a product.

Establishment of the board and schemes.- The act provides that the Lieutenant Governor in Council may constitute The Manitoba Marketing Board to consist of not more than three members, with remuneration as determined by order in council.

The Lieutenant Governor in Council may establish schemes for the marketing of any natural product within the province and may constitute marketing boards to be invested with the necessary powers to enable them to carry out the schemes. The method of choosing the members of a marketing board may be set out in the scheme which the board is authorized to administer. Provision for the submission of a scheme to a plebiscite may be made by regulation.

Registration and licensing.- The Lieutenant Governor in Council may vest a marketing board with authority to require registration and licensing of those engaged in production, packing, transporting, storing or marketing the regulated product.

Finance.- Marketing boards may also be given power to fix and collect license fees or serve charges from those producing or marketing the regulated product. Such money may be used for board expenses.

The salaries and expenses of the Manitoba Marketing Board and its staff are to be met from direct tolls or charges on products marketed through boards, as prescribed by the Lieutenant Governor in Council.

Marketing powers.- The Lieutenant-Governor in Council may grant a marketing board power to regulate the time and place of packing, storing or marketing a regulated product and to designate an agency to perform these functions. The board may also be empowered to regulate, at all stages in the marketing process, the quantity and quality, grade or class of the product and to prohibit the marketing of any grade, quality or class of the regulated product.

Price-fixing powers.- Marketing boards may be given authority to determine fixed, maximum or minimum prices at which the regulated product may be bought or sold. Such prices may be different in different parts of the province.

Federal-provincial co-operation.- A marketing board may co-operate or act conjointly with a federal or provincial board to regulate the marketing of any natural product of the province.

The Lieutenant Governor in Council may make regulations to provide for such co-operation or for the exercise of powers within the province by a federal board or board set up within another province to the extent that the powers are exercised outside the province under a federal or provincial act.

MANITOBA HONEY MARKETING PLAN

Products eligible.- The marketing plan applies to honey produced in Manitoba, and to other products containing more than 50 per cent honey.

Establishment of the plan.- The plan was established by a regulation of the Lieutenant Governor in Council in 1953 after a poll of producers revealed that some 76 per cent were in favor. Five men were named in the plan to constitute the Honey Marketing Board and provision is made for annual elections to replace part of the board each year so that each individual has a two-year term. All registered producers are eligible to vote or to be nominated for the board. "Registered" means registered as a beekeeper with the Department of Agriculture and Immigration.

Registration and licensing.- Beekeepers must register with the Department of Agriculture and Immigration under the Animal Husbandry Act and the registration is recognized in the Manitoba Honey Marketing Plan. The Manitoba Honey Marketing Board maintains a register of producers which is open for inspection and any producer may question the inclusion or exclusion of various names. The board could also require producers to obtain a license but has not exercised this power.

Finance.- Expenses of the Honey Marketing Board, including salaries, are met by a fee on producers for all honey marketed under the plan.

Marketing powers.- The board may regulate the time and place at which honey shall be marketed. Regulations may apply uniformly to all honey or may specify a different time and place for marketing according to grade, quality or type of honey. The power extends also to a prohibition of marketing of any grade or type of honey but in practice the board has largely confined its activity to pricing.

Price-fixing powers.- The board may set a price for honey or may set a maximum and/or minimum price. Orders of the board have in fact only set a minimum price, from time to time, for various sizes of container. The orders specifically ~~control~~ sales direct from producer to consumer.

Other powers.- The Minister has power to examine the books of the Honey Marketing Board; to suspend the board with just cause;

and to require a plebiscite of producers as to whether the marketing scheme shall be continued.

Federal-provincial co-operation.- The plan does not specifically authorize co-operation with federal or extra-provincial marketing bodies although the act, under which the plan operates, would permit such a provision in the plan for honey or any other product.

SASKATCHEWAN - NATURAL PRODUCTS MARKETING ACT

Products eligible.- "Natural product" in the act is defined so as to include products of the forest, sea, lake or river as well as agricultural products and articles of food or drink made wholly or partly from them.

Establishment of the board and plans.- The act provides that the Lieutenant Governor in Council may establish the Saskatchewan Marketing Board of not more than five persons. As at present constituted, the board has four members.

Marketing plans and boards may be established by the Lieutenant Governor in Council. The procedure is that a group of persons engaged in production or marketing of a product, who desire the establishment of a marketing plan, shall draw up a proposed plan and submit it to the Saskatchewan Marketing Board. The board may recommend a course of action to the Lieutenant Governor in Council, proposing that the plan be rejected, that the question of approval be submitted to a vote of producers of the product to which the plan would apply or that the plan be approved without a vote. The board may hold public hearings to determine the representativeness of a plan, at which those engaged in the production or marketing of the product may present their views. If the proposed plan is submitted to a plebiscite it can be put into operation only after a favorable vote of 51 per cent of those voting or such other higher percentage as the Lieutenant Governor in Council may determine. If a vote is ordered by the Lieutenant Governor in Council, the vote is conducted by the board.

The number of members on a producer marketing board and the names of the chairman and members of provisional boards are to be specified in the marketing plan. The plan is also to specify the method of election of members of the producer marketing board. The board may require that only registered producers be eligible to vote in such elections.

Registration and licensing.- A producer marketing board may, through its marketing plan, be given authority to require the registration and licensing of persons engaged in the production, packing, transporting, storing or marketing of the regulated product and to fix and collect license fees or service charges to be paid by such persons. Each producer marketing board is required to keep a register of producers.

Finance.- Expenses of the Saskatchewan Marketing Board are paid by the provincial government. Producer boards are intended to be self-financing; they may, if authorized by the marketing plan, be given authority to use any money they receive (license fees and service charges) for carrying out the purposes of the plan and paying their expenses.

Marketing powers.- A marketing plan which has been approved by the Lieutenant Governor in Council, may grant a producer marketing board extensive powers in connection with the marketing of a regulated product. A board may be empowered to regulate the time and place of marketing and the quantity and quality of the regulated product which may be transported, packed, stored or marketed. It may also be empowered to designate an agency through which the regulated product must be packed, stored or marketed. Such designation shall be effective only if approved by the Saskatchewan Marketing Board. The board may also be given power, either as principal or agent, to perform a wide variety of functions, in connection with the marketing of the regulated product, including grading, processing and advertising as well as buying and selling.

Price-fixing powers.- A producer board may be empowered to fix maximum and minimum prices.

Other powers.- The Saskatchewan Marketing Board is given general supervisory functions over the activities of producer marketing boards. It may recommend to the Lieutenant Governor in Council the holding of plebiscites. Other functions include, in certain circumstances, requiring a producer marketing board to hold an election, filling a vacancy on such a board, fixing or altering the remuneration of members of producer marketing boards and approving orders of producer marketing boards.

There is provision for the setting up of advisory committees, to the Lieutenant Governor in Council or the Saskatchewan Marketing Board which may be appointed by order in council and paid out of funds appropriated by the legislature. Advisory committees may also be appointed by producer boards, subject to regulations issued by the Lieutenant Governor in Council. No such regulations have been enacted. In this case they are to comprise those interested in the marketing and consumption of the regulated product. The producer boards may be given power to fix their remuneration and provide for its payment.

The act states that "In so far as may be feasible each plan handled by a marketing board shall be a co-operative project which may or may not be operated as a pool" and provides that a marketing board handling a co-operative project may register under the Co-operative Marketing Associations Act.

Federal-provincial co-operation.- Producer marketing boards may co-operate with any federal or provincial board in the marketing of any natural product of the province and may be given authority by the Lieutenant Governor in Council to perform any function conferred on it by federal legislation or an act of any other province. Conversely a federal board or a board set up under the legislation of another province may be empowered to exercise its functions within the province.

SASKATCHEWAN HONEY PLAN

Products eligible.- The plan relates to honey produced in the province and applies to honey producers who maintain ten or more colonies of bees. It excludes sales by a producer to a consumer.

Establishment of the plan.- The plan, which was brought into operation in 1950, is administered by the Saskatchewan Honey Board of three members elected according to procedures laid down in the plan. The normal membership term of board members is three years but the term of one member expires each year, so that there is an annual election. Members of the Honey Board are required to be beekeepers registered with the Apiary Division of the Saskatchewan Department of Agriculture and registered under the plan.

Registration and licensing.- All eligible producers must register with the Honey Board and pay a license fee. The amount of the fee, based on the quantity of honey marketed, is \$5.00 per annum on the first 1000 lb. and 1/10 cent per lb. on sales in excess of 1000 lb. The Honey Board is required to keep a current register of all producers. Beekeepers with fewer than ten colonies may apply voluntarily for registration and, on approval of their applications, be granted all the benefits which registered producers enjoy under the marketing plan except that they cannot become members of the Honey Board. Every dealer who buys honey for resale must have a license, which is issued free of charge and must be renewed annually.

Finance.- The Honey Board, in paying its expenses and carrying out the Plan, may use any money received by it. License fees constitute the major source of funds.

Marketing powers.- The board has been granted wide marketing powers, as provided for in the act and could appoint a single agency to market all honey but in practice it has confined its activity to setting basic conditions which must be complied with and then allowing producers to market wherever and whenever they choose.

Price-fixing powers.- The Honey Board sets a scale of prices varying with the type of honey and size of container. The price is only enforced as a minimum and in the past two or three years the prevailing price has been above this level.

Other powers.- The board is a legally constituted corporation so it has power to hold property, borrow money and carry on other business operations. As well as having power to enforce its regulations on all producers and all honey the board may at its discretion exempt any individual or any grade or class of honey. The board has power to require a pooling of all receipts from honey sales and a distribution of the money so that each producer receives the same price for the same class of honey but has not exercised this

authority.

Federal provincial co-operation.- The Honey Plan does not specifically mention co-operation with federal or other provincial agencies but could exercise such powers as are conferred in the act.

ALBERTA - MARKETING OF AGRICULTURAL PRODUCTS ACT

Products eligible.- The Act applies to poultry, hogs, vegetables, honey, cheese, grass and legume seed.

Establishment of plans.- There is no provision in the act for the establishment of a provincial board. Commodity producer marketing boards may be constituted by the Lieutenant Governor in Council to administer marketing plans. The method of choosing the members of a board may be set out in a plan. A plan may, on request, be established by the Lieutenant Governor in Council. It will not come into operation until approved by 51 per cent of the persons engaged in the production of the designated product in the area to which the plan applies. No plans were in operation and no boards had been established by the middle of 1957.

Registration and licensing.- Producers of any regulated product may be required, by a producer board to register their names and addresses with the board. Persons or legal bodies carrying on marketing operations may be required to obtain a license. Either producers or those engaged in marketing or both may be required to pay a license fee. No amount of the fee is mentioned nor is any basis of the rate indicated except that the fee need not be the same for all persons.

Finance.- Expenses incurred in carrying out the act are paid out of money appropriated by the Legislature for that purpose. Producer boards for various products, when established, are to finance themselves by license fees and/or service charges. The Lieutenant Governor in Council may appoint advisory committees or other officers and fix their remuneration.

Marketing powers.- Any producer board may be given the power to regulate the time and place at which and to designate the agency by or through which a regulated product is to be marketed. It may also instruct a designated agency as to the quantity or class of product which may be marketed at any time.

Price-fixing powers.- A producer board may fix the price or a maximum or minimum price or both which shall apply to all sales except sales to consumers. The price may vary according to the time, place and grade of product but a price, when set, can be enforced by law in all transactions to which it applies. A board may also determine the maximum spread that dealers may add to the price paid by them for a product.

Other powers.- A producer board may require any person engaged in production or marketing of a regulated product to submit periodic reports on his operations and may inspect his books and premises. The board has power to seize any product being marketed in contravention of its orders and may impose a fine on the offender. Producer boards do not have authority to prohibit or limit production.

Power to dissolve a board or suspend the operation of a marketing scheme resides in the Lieutenant Governor in Council who may at any time, (and must if petitioned by producers), submit the question to a plebiscite of all producers concerned.

Federal-provincial co-operation.- The Lieutenant Governor in Council may authorize a local board to co-operate with the Governor in Council to regulate marketing. Local boards may exercise any power conferred on them by federal acts and similarly a dominion board may be given permission to exercise its powers in relation to intra-provincial trade. The act states its intention of confining its provisions within the competence of the legislature and if any section is held to be ultra vires it shall not invalidate the validity of the rest of the statute.

BRITISH COLUMBIA - NATURAL PRODUCTS MARKETING (BRITISH COLUMBIA) ACT

Products eligible.- "Natural product" is defined in the act as meaning "any product of agriculture, or of the forest, sea, lake or river, and any article of food or drink wholly or partly manufactured or derived from any such product." The act also defines "regulated product" as "any natural product the regulation of the marketing of which is provided for in any scheme approved or established under this act."

Establishment of the board and schemes.- The act authorizes the Lieutenant Governor in Council to appoint a board of three members to carry out the provisions of the act. The board is known as the British Columbia Marketing Board. The report of a royal commission in 1941 states that the legislature intended the board to give leadership and exercise control over local boards. However, according to the report, the board did not entirely fulfill the intentions of the legislature. The reasons given were, first, that the board appointments were only part time positions and the incumbents could not devote to them as much time as the importance of the job called for; secondly, there existed no jurisdiction to enforce decisions of the board.

As well as having established a provincial board orders in council may be issued to establish, amend and revoke marketing schemes and to set up local boards to administer the various schemes.

Under this section three schemes have been established dealing with tree fruits, coast vegetables and interior vegetables respectively. Schemes may be limited in applicability as to area, type or class of product covered. The schemes are to prescribe the method of choosing members for the boards whether it be by appointment, election, etc.

Registration and licensing.- The Lieutenant Governor in Council may vest in provincial or local boards which he establishes the power to register and license all producers or handlers of the regulated product. The three boards established to date have been given these powers as provided for in the act.

Finance.- Operations under the act itself are to be financed by the Consolidated Revenue Fund except when there is a special vote of the Legislature for that purpose. Such monies pay the salaries of the Provincial board and other expenses incurred in carrying out the act. The several schemes established under the act cannot draw on the Consolidated Revenue Fund but are to pay their own way by means of license fees and other charges.

Marketing powers.- The general tenor of the law is that the Lieutenant Governor in Council, through the schemes, shall have power to completely control the marketing of the products concerned. "The purpose and intent of this act is to provide for the control and regulation in any or all respects of the transportation, packing,

storage and marketing of natural products within the province." Local boards may be given power to regulate the time and place of marketing, the agency through which marketing must be done and may prohibit the marketing of any class or grade of product.

Price-fixing powers.- The act states that local boards may be given power "to fix the price or prices, maximum price or prices, minimum price or prices, or both maximum and minimum prices at which the regulated product, or any grade or class thereof, may be bought or sold in the province, or that shall be paid for the regulated product by a designated agency; and may fix different prices for different parts of the province."

Federal-provincial co-operation.- The federal government co-operates with the provincial government by granting powers in inter-provincial and export trade co-extensive with those in intra-provincial marketing. The Natural Products Marketing (B.C.) Act provides that provincial boards may co-operate with federal authorities.

BRITISH COLUMBIA TREE FRUIT MARKETING SCHEME

Products eligible.- The scheme applies to any tree fruit grown in the regulated area. The area is that part of B.C. lying east of the 121st meridian and south of the 51st parallel of latitude.

Establishment of the scheme.- The scheme establishes the British Columbia Fruit Board of three members elected annually by the B.C. Fruit Growers' Association at its annual conventions. Nomination of candidates may be made by district councils of the association.

Registration and licensing.- The provisions in the scheme follow closely the terms of the enabling act. The British Columbia Fruit Board requires all persons packing or storing the regulated products to obtain a license. The fee is fixed according to the number of boxes packed or stored in the previous year with a basic fee of \$75.00. Operators of roadside stands require a license which is issued without charge. The Board keeps a "Register of Growers". Growers are entitled to register with the Board which may also add or delete names without application to the grower. A grower is defined as a person owning or leasing and operating an orchard of one acre or more.

Financing.- The local board may use any money received by it for the purpose of meeting its expenses and carrying out the scheme. It may also contribute to the B.C. Fruit Growers Association to assist the latter organization in achieving its objectives. In the act, as originally passed, the money at the disposal of the Board would be that collected as fees for licenses. An amendment to the Act, in 1951, broadens the source of revenue by allowing the Board to fix and collect fees or charges for services rendered.

Marketing powers.- The scope of the marketing powers conferred by the scheme can best be indicated by quotations from the scheme. "The purpose and intent of this scheme is to provide for the effective control and regulation, in any or all respects, of the transportation, packing, storage, and marketing of the regulated product within the province". The specific powers of the board include - "to regulate the time and place at which and to designate the agency through which any regulated product shall be packed, stored, or marketed."

B.C. Tree Fruits Ltd. is designated as the sole marketing agency through which all regulated products must be marketed. There are certain exemptions, including local deliveries and sales by shippers to retailers or licensed operators of roadside stands in the vicinity of the place of production, to be sold by the retailer or operator of the roadside stand. Small shipments and consumer purchases are also exempt.

Price-fixing powers.- The scheme confers extensive powers of price fixing on the board. The wording of the scheme does not specifically confine it to prices at the producer or wholesale level but in practice there is no attempt to go beyond this and regulate retail prices. The section of the scheme authorizing regulation of prices is taken from the act itself and the power is: "To fix the price or prices, maximum price or prices, minimum price or prices, or both maximum and minimum prices at which the regulated product, or any grade or class thereof, may be bought or sold in the Province, or that shall be paid for the regulated product by a designated agency; and may fix different prices for different parts of the Province."

In practice the board has not been setting prices. B.C. Tree Fruits Ltd. sells for the best price obtainable, pools the receipts for a specific grade or period of time and remits to each producer his proportionate share less deductions for handling costs.

Federal-provincial co-operation.- The scheme does not mention relationship with the federal government but this is dealt with in the act itself where several sections are devoted to establishing the relationship between federal and provincial activity.

One example of co-operative effort has been in the marketing of peaches, prunes and apricots in the 1953 to 1956 seasons. Under the (federal) Agricultural Products Co-operative Marketing Act (1939) the Minister of Agriculture may sign an agreement guaranteeing the initial payment a marketing agency makes to producers. The initial payment must not exceed 80 per cent of the average price for the three preceding years and the products must be handled on a pool basis. Although the guarantee was given for the three crops mentioned above the selling price was sufficient to cover the initial advance and no federal payments were actually made.

Under the federal Agricultural Products Marketing Act the powers conferred on the British Columbia Fruit Board under provincial legislation are extended in interprovincial and export trade. This

authorization enables the marketing agency to regulate shipments made outside the province and to pool the returns from such sales, as well as to collect license fees from shippers engaged in interprovincial and export trade.

BRITISH COLUMBIA COAST VEGETABLE SCHEME

Products eligible.- The scheme covers "potatoes and vegetables of all kinds" but does not specify each different item. It applies to all persons who produce, pack, transport, store, or market the regulated product in the designated area." The designated area is the coastal region between the 49th and 53rd parallels of latitude.

Establishment of the scheme.- The scheme provides for a three man board elected annually. For purposes of administration the coastal area is divided into two districts with the first district naming two members for the board and the second district naming one. The member from the second district holds office for a one-year term. Members for the first district serve two-year terms beginning in alternate years so that only one is elected each year. Nominating and voting for board members is by mail and any registered producer may vote for or may be a member of the board. Each nomination requires the signature of at least 25 registered producers in the district.

Registration and licensing.- The board is instructed to keep two registers, one for each district, and to enter therein the names of all producers in the district who apply to the board and are qualified. Any producer is considered qualified for registration if he owns land from which at least one thousand pounds of regulated product were grown and marketed in the preceding 12 months. The registers are revised from time to time but any producer whose name is to be removed must be notified. All producers and persons transporting, marketing, etc. are required to obtain a license from the board. A fee is charged for the licenses with the various classifications and rates being set by the board. For example, the orders issued by the board for the 1955 season set a fee of one dollar for growers and truckers, ten dollars for processors and no fee for retailers and peddlers. Apparently the wording of the scheme would permit different fees for different producers based on volume of sales, etc., but no scale of this type is being used at present. The agencies collect fees from growers and in turn make payment to the board.

Finance.- Any money received by the board may be used for paying the expenses of the board and for carrying out the purposes of the scheme. Included in these purposes are loans or grants for the construction of marketing facilities and assistance for research work in the field of marketing.

³ Marketing powers.- The Coast Vegetable Board is given power to control in all respects the transportation, packing, storing,

and marketing of the regulated products or to prohibit the marketing of any grade or class of product. The board does not operate facilities for marketing but designates the agents who are to have exclusive rights to handle the products. It has named the B.C. Coast Vegetable Co-op. Assn. and Island Vegetable Co-op. Assn. as agents in their respective districts. These co-ops. are authorized to delegate certain functions or to make arrangements with other persons and firms to carry on transportation, storage, or marketing activities. The general order that all sales be through the approved agency is not binding on producers selling on a roadside stand or directly to consumers provided that the products must carry an approved label or tag issued by the board.

Price-fixing powers.- The board may set the specific price at which the products may be sold or may set a maximum and/or minimum price. The scheme also allows the board to determine the spread which dealers shall add to the price paid by them. The orders of the board indicate that its powers are being used only to set a minimum price. It is also forbidden to sell regulated products in combination or at the same time as other products for combined prices not corresponding to the legal price for the products individually.

Other powers.- Members or employees of the board may inspect the premises of any person who grows or markets the regulated product. They may also stop and search any vehicle which may be carrying a regulated product. Any product found being marketed in contravention of the scheme or board orders may be seized and, in due course, disposed of. Anyone who violates any of the provisions may have his license cancelled or may be refused a license in succeeding year. As well as the right to search and inspect the physical produce the board has the right to inspect books, records and accounts pertaining to the produce.

Federal-provincial co-operation.- The regulatory powers mentioned in the scheme have been extended by the Governor in Council so as to apply in interprovincial and export trade. This action was taken in 1949 shortly after passage of the Agricultural Products Marketing Act.

BRITISH COLUMBIA INTERIOR VEGETABLE SCHEME

Products eligible.- The scheme applies to vegetables of all kinds and mentions in particular tomatoes, peppers, lettuce, field cucumbers, cantaloupes, corn, cabbage, celery, onions, parsnips, squash, pumpkins, citrons, marrow, asparagus, eggplant, peas, beans, potatoes and rhubarb. The area to which the scheme applies is the southeastern section of the province.

Establishment of the scheme.- The B.C. Interior Vegetable Marketing Board of four members is created to administer the scheme.

The area covered by the scheme is divided into 12 districts. At an annual meeting of producers in each district there is an election for from one to three delegates to attend a central meeting of delegates. At the delegates' meeting three members of the board are elected for a one-year term and they have power to co-opt a fourth member.

Registration and licensing.- Under the scheme all persons engaged in the production, packing, storing, transporting, or marketing of the regulated product may be required to register and obtain a license from the board. Registration is required of all persons but the license fee is assessed against the designated agency, Interior Vegetable Marketing Agency Ltd.

Finance.- Several methods of finance are available to the board. It may sell licenses to producers and others handling the regulated product. The scheme also permits classifying licenses into groups and charging different rates to different groups. The only means of finance being used is the license fee charged against the agency.

Marketing powers.- The board has power to regulate the time and place at which any regulated product shall be marketed and to designate the agency through which it shall be marketed. Included in this power is the authority to exempt individual persons or products from the orders or to prohibit the marketing of any grade or class of product. All persons may be prohibited from carrying or transporting the regulated product without the written authority of the board and may be required to use a tag or label on each container. Tags are used on potatoes in all districts on direct sales to retailers.

Price-fixing powers.- The board may set the price or may set a minimum and/or maximum price for the regulated product. "Price" is understood to mean "schedule of prices" since the board may fix different prices according to the grade or class of product and the time or place of the marketing. As well as the actual price setting the board may determine the spread which dealers shall add to the product. The General Orders issued by the Board prohibit any sale or purchase of the regulated product for canning or processing where no price has been set by the board, except in cases where written authorization has been obtained from the board.

Other powers.- The scheme authorizes use of money or other resources for market research, advertising, and in general the promotion of the vegetable industry. Another power which the board has is that of determining the time within which a purchaser of regulated products shall make payment to the producer. It also has power to authorize distribution of proceeds, by the designated agency for any specified period of time.

Federal-provincial co-operation.- Under the federal Agricultural Products Marketing Act the regulatory powers exercisable within British Columbia have been extended and apply in interprovincial and export trade.

PART II - Milk Control Legislation

PRINCE EDWARD ISLAND - MILK PROTECTION ACT

Products eligible.- The act applies to milk or cream for consumption in their fluid state.

Establishment of the board.- The Lieutenant Governor in Council is authorized to appoint the Prince Edward Island Milk Control Board of five persons, two representing consumers, two producers and distributors and the fifth a County Court or Supreme Court judge or an independent person. The act provides that the Dairy Superintendent of the province shall be an exofficio member without voting power and that the judge or independent person shall be chairman of the board.

Registration and licensing.- The board may grant or refuse licenses to those producing milk or cream or buying it for resale in the province. The prescribed fee is \$1.00 per annum for each producer. The same fee is collected for each vehicle used in distributing milk or cream.

Finance.- The board's expenses are met from the license fees paid by producers and those engaged in distributing milk and cream.

Marketing powers.- The board may prevent the sale of milk, cream or butterfat in liquid state at a price higher or lower than the prescribed price. Licensees must not buy fluid milk, cream or butterfat at a price less than the prescribed price and such products are not to be sold at less than the prescribed price. The board may, however, confirm an agreement to permit the sale of milk or cream at less than the prescribed price to an association of 15 or more persons.

Price-fixing powers.- The board has power to prescribe prices of milk, cream or butterfat in its liquid state. It may define the areas to which the prices are to apply. Factors which may be taken into account in fixing prices are the prevailing market price, the conditions of production, the manner of delivery and costs of handling and delivery. The price is to contain a differential to compensate for any pasteurization or other processing. The board exercises its powers to fix prices; producer prices are prescribed in terms of butterfat and wholesale and retail prices by liquid measure.

Other powers.- The board may, either on its own initiative or on complaint of three or more producers or persons engaged in marketing, inquire into any matter relating to the production or marketing of milk or cream. It has powers of arbitration to deal with disputes arising between two or more classes of people engaged in producing or marketing milk.

The board is to give adequate opportunity for hearings in connection with its decisions.

NOVA SCOTIA - AGRICULTURE AND MARKETING ACT

PART XVIII - THE DISTRIBUTION AND SALE OF MILK

The sections below describe the provisions of the legislation relating to the sale of milk and cream. The Part also contains provisions relating to the grading of milk and cream for manufacture and to the inspection of licensed premises.

Products eligible.- The products covered are milk, cream and butterfat.

Establishment of board.- The provisions are administered by the Board of Commissioners of Public Utilities, acting as a Commission. The board, constituted under the Public Utilities Act, consists of three or more persons appointed by order in council.

Registration and licensing.- The legislation requires that all those producing and marketing milk shall be licensed by the Commission. The Commission may require evidence that a milk distributor is qualified by experience, financial responsibility and equipment to conduct his business and that the issuance of a license is in the public interest. Persons or classes of persons designated in the regulations may be exempt from the licensing requirements.

The license fees are \$1.00 per annum for producers and \$2.00 per annum for distributors or producer-distributors who make all their sales outside areas designated as specified areas.

In the specified areas the amount of the license fee for distributors depends on the size of the average monthly purchases of fluid milk. For amount up to 50,000 lb. it ranges from \$5.00 to \$50.00 per annum. On average purchases of over 50,000 lb. it is fixed at the rate of one cent for every 100 lb. purchased, and is to be paid monthly.

Licenses are not required by distributors and producer-distributors selling less than ten quarts of milk daily or from producers selling to such persons.

Finance.- The Governor in Council is authorized to advance and pay out of Consolidated Revenue the sums of money necessary for the administration of the legislation.

Marketing powers.- Distributors may not terminate the purchase of milk from producers without just cause unless 15 days' notice of termination is given and producers may not terminate the sale of milk to distributors except under the same conditions.

Distributors must not compel or induce producers to invest money

in a dairy plant or other equipment in order that producers may obtain or retain a market for their milk. Distributors must also not compel or induce producers to lend or pay money in order to obtain or retain a market for their milk.

Price-fixing powers.- The Commission has power to prescribe, within specified areas, the prices of milk, cream or butterfat. The following factors may be taken into account in fixing prices: the prevailing market price, the conditions of production, the manner of delivery and costs of handling and delivery.

The Commission may approve any agreement respecting the price of milk and fair business practices entered into between producers, processors, dealers, consumers, transporters and distributors, which shall be binding on every person selling, delivering or buying milk in the area to which the agreement applies. Such areas will, on request, be declared price control areas in which producer, wholesale and retail prices are determined. There are 14 such areas in the province. In these the price of milk to producers is determined on a 3.7 per cent butterfat basis with differentials for higher or lower butterfat content. Prices, unless specified, are fixed prices. Retail prices on sales from stores are minimum prices.

The payment of premiums to any purchaser of milk is prohibited, except as interest or dividends on capital invested.

Other powers.- When 75 per cent of the producers in an area request by petition, they may be required to pay a fee to the Commission of up to two cents per 100 lb. on all milk marketed or ½ cent per lb. of butterfat on all cream marketed.

The money is paid to the local milk and cream producer associations. It is used for promotional and other activities by the local associations or by the Nova Scotia Milk and Cream Producers Association, which is financed by the locals. Any producer may notify the Commission that he does not wish to have his fees used for the purpose and may request that they be returned to him.

The Commission has powers of arbitration in settling disputes between producers, consumers, processors and those engaged in transporting and marketing milk.

NEW BRUNSWICK - DAIRY PRODUCTS ACT

Products eligible.- The Dairy Products Act covers dairy products, i.e. milk or milk products for human consumption, and is principally concerned with the "dairy products trade" which, according to the act, means "the undertaking for commercial purposes of producing, handling, processing, pasteurizing, homogenizing, bottling, transporting or delivering milk or any milk product for human consumption".

All persons engaged in the dairy products trade are classified as follows:

- (a) producer-supplier, i.e. one who produces and sells milk or cream from his own herd for sale or distribution to a milk dealer or producer-distributor;
- (b) producer-distributor, i.e. one who produces and sells milk or cream from his own herd for sale or distribution to customers;
- (c) milk dealer, i.e. a person purchasing or receiving from producer-suppliers, as a principal, milk to resell as milk, cream, ice cream, butter, cheese, condensed milk, evaporated milk, milk powder or any other milk product, or cream to resell as fluid cream;
- (d) milk vendor, i.e. one who, as a principal, purchases or receives milk or cream from a milk dealer for reselling or distributing to customers;
- (e) storekeeper, i.e. one who sells milk or cream to customers at a store or shop of which he is proprietor or manager; and
- (f) canvasser.

Establishment of the commission.- The Dairy Products Act establishes the New Brunswick Dairy Products Commission which has the duty of administering the act. The Commission is appointed by the Lieutenant Governor in Council and consists of three members of whom one is a producer-supplier. It has all the rights and powers of a corporation.

Its duty, besides administering the act, is to investigate and study the situation of the dairy industry and dairy products trade of the province, to establish prices to be paid by milk dealers to producer-suppliers in control areas, to supervise and regulate all phases of the purchase, sale and distribution of milk and cream and the care and collection of containers, to investigate the causes of disputes concerning contracts between producer-suppliers and milk dealers and to approve, enforce and, if necessary,

annual agreements made between persons in the dairy products trade.

Registration and licensing.- All persons engaged in the dairy products trade in a price control area (described below), must have licenses which are issued by the Commission. A separate license is required for each plant and store. Transporters, i.e. persons other than producer-suppliers who transport milk or cream from the country to a milk dealer, distributor or factory, must obtain permits from the Commission.

Finance.- The fee for a license or permit is one dollar per year except to canvassers which are issued free of charge. The sums obtained from these fees are applied to the expenses of the Commission.

Upon petition of 75 per cent of the milk producers in a price control area requesting that the producer-suppliers in the area be required to pay license fees, the Commission may order all producer-suppliers in the area to pay fees of not more than two cents per hundred pounds of fluid milk or one half-cent per pound butterfat of sweet cream. These fees, known as the "check-off", are collected by the milk dealer who pays them to the Provincial Secretary-Treasurer. The latter, on the recommendation of the Commission, pays these sums to the New Brunswick Milk Producers Association for the purpose of promoting the dairy industry.

There are now seven of the price control areas where the "check-off" is made and the fee is set at one cent per hundred pounds of milk or one-quarter cent per pound of butterfat of cream.

Marketing and price-fixing powers.- Either upon petition of two-thirds of the producer-suppliers, producer-distributors and milk dealers in an area or when the Commission considers it expedient to do so without being petitioned, the Commission may establish a price control area. In such an area, after taking account of producing, handling and delivering costs and the conditions of the market, the Commission establishes the prices of milk and cream. This includes the price to be paid to the producer-supplier and the wholesale and retail prices to be charged by the producer-distributor, milk dealer, milk vendor and storekeeper. No person is permitted to buy or sell milk or cream below the established prices and the offering of any rebate, discount, premium, bonus or prize that would defeat the purpose of the established price is also prohibited.

There are now 26 price control areas which cover most of the province. Prices are changed very seldom and then only if the Commission thinks it justified and it is usually done upon petition of producers or dealers. The Commission bases its prices, in part, upon a formula which takes production and distribution costs into account and it usually consults representatives of consumers before taking action.

Section 6 of the Dairy Products Act provides that where at least two-thirds of the persons in the dairy products trade in a

price control area enter into an agreement respecting ethical practices in canvassing, servicing of customers, hours of delivery and similar matters, the Commission may approve the agreement and make it binding upon all persons in the particular classifications of the dairy products trade which are affected by the agreement in the area.

Other powers.- Provision is made in the act for the deposit of guarantees by milk dealers in price control areas to ensure payment of sums which may be owed to producer-suppliers.

A producer-supplier and the milk dealer to whom he sells milk are deemed to have made a contract for the regular delivery of a certain quantity of milk for an indefinite period. Neither party may terminate or alter the contract, save under a regulation of the Commission, unless 30 days' notice in writing has been given to the other party or an arrangement in writing has been made between the parties. It is the duty of the Commission to investigate alleged breaches of such contracts and to enforce them.

In order to try to overcome difficulties connected with the milk quotas that may be delivered by producer-suppliers, Order No. 378 of the Commission dated June 8, 1956, provides that in any price control area the Commission may allot a quota to each producer-supplier. This quota will be the average amount of milk which the latter is entitled to deliver to a milk dealer for his fluid milk requirements. The order describes the method of arriving at this quota. A "Quota Committee" will be appointed for each dealer comprising a chairman appointed by the Commission, a member appointed by the New Brunswick Milk Producers Association and a member appointed by the milk dealers. Producer-suppliers or the milk dealer may appeal to the committee for adjustments of quotas and, upon recommendation of the committee, the Commission may make the adjustments. A method whereby the dealer may make temporary adjustments in quotas from all suppliers on an equal percentage basis is included in the order.

The Dairy Products Commission is empowered to make regulations and orders setting forth the conditions of permits and licenses, the quality of milk that is to be sold, the manner of transportation and hours of transportation of milk, the condition of construction and equipment of factories, the methods of manufacture of dairy products, the method of payment for milk and cream by a milk dealer and the inspection of his accounts. These regulations and orders must not be inconsistent with the Health Act.

Regulations made under authority of the act describe in detail the methods by which a milk dealer shall calculate the payments to a producer-supplier for milk and cream, depending upon whether or not he is in a position to weigh, sample and test milk and cream.

QUEBEC DAIRY PRODUCTS ACT

Products eligible.- This act deals with fluid milk and cream primarily. It permits control of cheese and other dairy products but regulations have not been issued to exercise such control.

Establishment of the commission.- The Dairy Products Act provides that a Dairy Industry Commission of from three to five members may be appointed by the Lieutenant Governor in Council. A commission of five members has been appointed with wide powers which are outlined in the following sections.

Registration and licensing.- In any designated area the commission has power to compel distributors (jobbers) of dairy products (milk, cream, butter, cheese and ice cream) to obtain a permit, which is issued free of charge. Transporters, except farmers and distributors, and factory operators require permits from the Inspector-General of Dairy Products appointed under the act. Producer-suppliers are not required to register but when they sell milk or cream to a milk dealer they and the dealer are presumed to have entered into a contract of indefinite period. Reasons to break the contract are determined by a regulation of the commission, or for non-execution of obligations of either party, or with the authorization of the commission, or by the consent of the contracting parties.

Finance.- Salaries and expenses of the Dairy Industry Commission are paid by the province, but a fee of one-half cent for each 100 pounds of milk is paid by producers and used by the commission to further the sale and consumption of milk and dairy products.

Marketing powers.- The commission is given power, under the act, "to supervise, control and regulate in the province the manner of purchasing, the purchase, transportation, handling, conversion, preparation, storing, delivery, method of sale, sale, distribution or manner of distribution of milk and cream". The commission may approve and enforce, or may annul, any price agreement entered into by producers and distributors, and may make such agreement binding upon all producers and distributors in the area affected by the agreement.

Milk receiving centers may be established for any marketing zone and shall have the exclusive right (if established) to receive milk from producers or producers' associations and to supply or allocate such milk to distributors or processors.

Price-fixing powers.- The Dairy Industry Commission is empowered to fix the price of milk and cream in any area which it may designate and to prohibit their sale at a price lower than the current price. It is instructed, in the act, to take account of the costs of production and the market situation. Variations in local conditions are considered and the prices set in some market areas differ slightly from the prices in other areas. The commission fixes prices at both

producer and retail levels. The act forbids any milk distributor giving premiums or benefits of any kind which would have the effect, either direct or indirect, of making the price of milk lower than the price fixed by the commission. "Orders" of the commission from time to time setting the price to producers usually specify a premium or a discount to be applied when the butterfat content of the milk is above or below 3.5 per cent. In 1956 the commission exercised control in 48 regions covering 39 cities, 133 towns and many more villages and townships.

Other powers.- The act requires, without separate action by the commission, that every milk dealer deposit with the Inspector-General a guarantee in the form of cash or securities. The guarantee shall be forfeited if the dealer fails to pay producers in accordance with their contracts or the regulations of the commission. The commission may investigate and report to the Minister on any aspect of the dairy industry or the dairy products trade. The Lieutenant Governor in Council may make regulations setting certain standards for building construction and use of equipment in factories. He may also define the zones or areas from which each factory may draw its milk supply, so that the factories will not harm each other. It is the responsibility of the Lieutenant Governor in Council to define such words as "condensed milk" or "evaporated milk" or to regulate the use of such words as "pasteurized" or "certified" as they apply in the dairy industry,

ONTARIO - THE MILK INDUSTRY ACT

Fluid milk marketing in Ontario is regulated by Part II of the Milk Industry Act, 1954. The provisions of this part are outlined below. In April 1957 the Ontario Legislature passed the Milk Industry Act, 1957, which had not been proclaimed when this bulletin went to press in June, 1957.^{1/} The new legislation authorizes substantially the same form of milk control as is at present in effect, but it contains new provisions and amendments to the existing authority. Some of the changes are outlined briefly at the end of this summary.

Products eligible.- Part II deals only with fluid milk but this includes skimmed milk and "special milk" such as milk and cream mixtures.

Establishment of the board.- The milk control provisions of the act are administered by the Milk Control Board, of four members appointed by the Lieutenant Governor in Council. A marketing agency may be established by order in council in any market area but only after the question has been submitted to a vote of the producers concerned and has been favored by at least two-thirds of the producers supplying that market. The functions of a marketing agency are to stimulate the production and marketing of fluid milk and to act as a collective bargaining agency and a marketing agency for producers.

Registration and licensing.- The Milk Control Board may issue licenses to persons distributing, transporting or pasteurizing fluid milk. It fixes the fee for licenses as well as prescribing the form and the conditions upon which they will be issued and revoked. The fee prescribed for transporters in a limited number of markets and for distributors is \$1.00 per annum. Marketing agencies may impose license fees to be used for their purposes or those recommended by the Milk Producers' Co-ordinating Board, in connection with the improvement of milk marketing. The act also authorizes the council of any municipality to pass bylaws for the licensing of milk distributors. The Board may refuse to grant a license where the applicant is not qualified by experience, financial responsibility or equipment to conduct the proposed business.

Finance.- The expenses of the Milk Control Board are paid by the Government of Ontario. When collective bargaining is requested by either producers or distributors each side bears its own expenses. The Board receives the license fees from distributors but this is a relatively minor source of revenue.

Marketing powers.- The Milk Control Board is not directly engaged in marketing. It regulates or supervises marketing procedures. It prohibits a distributor from terminating the purchase of milk from a producer or a producer terminating the sale of milk to a distributor without just cause. The Board supervises negotiating procedures to see that both parties bargain in good faith and to insure that the resulting agreements or awards are

^{1/} The act has been proclaimed effective July 1, 1957.

adhered to. No new producer, processor, or distributor may begin operations during the period when an agreement is in force unless he complies with all the terms of the agreement and has made arrangements with buyers or suppliers of milk as the case may be.

Markets may be designated by order in council; a "market" is a market named in an agreement or award or a market supplied by a marketing agency or association. Producers or distributors in any market or group of markets may require collective bargaining to determine the prices to be paid to producers and the terms of sale and purchase, also to fix quotas or establish quota committees. Producers or transporters may require bargaining on the prices to be paid for transporting milk. Where agreement is not reached by collective bargaining the dispute may be referred to the Milk Control Board for arbitration.

Orders in council may provide for the purchase of fluid milk from producers on a quota basis, regulating delivery routes and deliveries and prescribing classes of fluid milk, milk fat percentages and types and sizes of containers.

The act also outlines the ways by which distributors may obtain milk in addition to that provided in their quota and by which producers may deliver milk in excess of their quota.

Price-fixing powers.- The Milk Control Board may, after a public hearing, prescribe maximum prices at which fluid milk may be sold by wholesale or retail in any market. Collective bargaining procedures for the establishment of producer prices are outlined in the preceding paragraph.

Formula pricing has been adopted in a large number of markets. The formula price is calculated monthly. It has been developed by a special committee under the chairmanship of the Dairy Commissioner and takes into account a number of factors including the wholesale price index and the level of farm wages.

Other powers.- The Milk Control Board has general powers of inquiry and investigation in any matter relating to production and distribution of milk, including costs and price spreads.

Some provisions of the Milk Industry Act, 1957.- The milk control provisions of the Milk Industry Act, 1957, which had not been proclaimed when this bulletin went to press in June 1957, are set out in Sections 17 to 27 and part of Section 5. Many of the provisions are identical with those of the 1954 act by which milk marketing is at present regulated in the province. Some of the principal changes which the new legislation will make are set out below.

The 1957 act provides for the establishment of the Milk Industry Board of Ontario, to consist of three or more persons appointed by the Lieutenant Governor in Council. This board is to combine the functions of the Milk Control Board and the Milk Products Board, which administers the sections of the 1954 act dealing with the establishment and operation

of producer marketing boards for dairy products.

The 1957 act provides that no distributor shall buy fluid milk or sell fluid milk products except under an agreement or award respecting the prices, terms and conditions relating to the sale and purchase of the milk. The agreement may establish the principles on which producers' quotas and bases are to be determined and may set up quota and bases committees to determine the quotas and bases. It also provides that where the Board receives a request from a milk producers' association that it be authorized to represent producers in a market for collective bargaining, the Milk Industry Board may, after a hearing, designate the market or area to which the order shall apply, require that all collective bargaining shall be by the association, that the producers concerned pay fees of stated amounts to the association and that these be deducted by distributors and that the association pay local associations the amount necessary for their expenses. The fees may be used for expenses or for such purposes as the Milk Producers' Co-ordinating Board recommends. The Board, which is already in operation, is charged with the responsibility of improving and stimulating milk production and marketing.

The act further provides that the Lieutenant Governor in Council may, on the Minister's recommendation, appoint a committee of at least three persons to be known as "The Formula Committee for Fluid Milk" to inquire into matters relating to costs of producing and marketing fluid milk and to determine a formula by which a fair price to producers for fluid milk may be calculated.

Under the new statute, where a penalty is imposed for failure to pay the minimum price under an agreement or award the money is to be paid to the Milk Industry Board which may distribute it among those who failed to receive the minimum price or used to stimulate milk marketing. The penalty is to consist of the prescribed fine plus the amount by which the sum paid was less than the minimum price.

MANITOBA - THE MILK CONTROL ACT

Products eligible.- The act applies to fluid milk, and specifically excludes milk purchased and used solely for the purpose of manufacture into butter or cheese. The word "milk" is defined as fluid milk with a butterfat content exceeding 15/100 of one per cent of its volume and not exceeding eight per cent, whether or not processed by the addition or subtraction of any substance.

Establishment of the board.- The Milk Control Board of three members is set up under the act. Appointments are made by the Lieutenant Governor in Council.

Registration and licensing.- Within any area designated by the board, licenses must be obtained from the board by those engaged in supplying, distributing, processing or selling milk. At its discretion the board may require the licensing of all persons engaged in producing, supplying, distributing, processing or selling milk for consumption in fluid form.

Before a license is granted to a milk distributor, the board is to satisfy itself concerning the experience, financial responsibility and equipment of the applicant. A license fee of \$1.00 per annum is payable by milk producers, distributors and stores handling milk for resale.

Finance.- The act provides that money required for carrying out the purposes of the act is to be obtained by assessment on persons engaged in producing, distributing and selling milk or on one or more of these classes of persons, as prescribed in the regulations. The assessment payable by producers in the Greater Winnipeg area is 1½ cents per 100 lb. per month on milk deliveries. Distributors pay at the same rate on sales.

Marketing powers.- The board may make regulations, with the approval of the Lieutenant Governor in Council prescribing the manner and conditions of production and marketing of milk. Within the designated areas the board is required to fix quotas, that is the amounts of milk which a producer is required to deliver in a month to a distributor. No producer can be required to deliver more than his quota. The quotas are to be allocated equitably between producers to ensure that their total, in the board's opinion, is not less than 110 per cent of the sales of milk during that month to consumers in the area.

The areas designated are the Greater Winnipeg area, Portage La Prairie, Brandon and Neepawa.

Price-fixing powers.- Within a designated area the board is required to fix schedules of minimum prices on sales by a producer to a distributor and maximum prices on sales by a producer or distributor to a consumer and to prohibit the sale of milk at less than

the minimum or more than the maximum. In fixing minimum prices the board is to take into account the general level of farm prices and costs of labor and other production items and the condition of the various local markets. In determining maximum prices the board is to take into account the cost of milk to the distributor, costs of processing and handling, the interests of producers, distributors and consumers and the Dominion Bureau of Statistics' Consumer Price Index.

Maximum and minimum prices may be fixed for any grade, quantity or quality of milk, on the whole or any part of the milk delivered by a producer to a distributor or on the milk delivered by producers within any period. A distributor must pay each producer not less than the minimum price for all deliveries up to the amount of the producer's quota.

Public hearings are required before an order is made to change a maximum or minimum price.

Other powers.- The board is required to conduct investigations of milk distribution schemes and of conditions of the dairy industry in Manitoba or elsewhere. It has powers of arbitration to deal with disputes within the industry. It is authorized to make provision for the determination of the butterfat content of milk sold by producers to distributors and to furnish producers and distributors with statements of butterfat content. It must also supervise the weighing of milk sold by a producer to a distributor.

SASKATCHEWAN - THE MILK CONTROL ACT

Products eligible.- The act applies to whole milk and products of milk supplied, processed, distributed or sold in fluid form.

Establishment of the board.- The act provides for the constitution of the Milk Control Board of one or more members, to be appointed by the Lieutenant Governor in Council. As constituted it consists of a chairman and two members.

Registration and licensing.- The board may by order require all persons who distribute, process or sell milk in any prescribed area to be authorized by the board to do so, may provide for the licensing of such persons and may fix license fees. A distributor's license may limit the number of vehicles to be used by the licensee in the distribution of milk to consumers.

The license fee for distributors is fixed at \$10.00 per annum.

Finance.- Provision is made for the levying of assessments from milk producers and those engaged in marketing milk in a prescribed area, of such sums as are necessary for carrying out the purposes of the act. The assessment for producers is 4/10 cent per lb. of butterfat calculated on all milk sold. Distributors are assessed the same sum on all purchases of milk. The designated areas are Moose Jaw, Regina, Prince Albert, Yorkton, Saskatoon, Swift Current, Battleford, North Battleford, Humboldt and Melville.

Marketing powers.- Within the prescribed areas the board has power to make regulations supervising the production, processing, distribution, keeping for sale and sale of milk. It may also prescribe the terms and conditions of marketing milk in these areas. The regulations require the labelling of containers with the distributor's name and the contents and that distributors must purchase from producers in their own district if supplies are adequate.

Price-fixing powers.- The board may by regulation or order set prices in the different areas, and may hold hearings in connection with requests for changes in prices. In practice the producer prices are set at lower levels in summer than in winter and consumer prices at a fixed rate.

Other powers.- The board's powers to conduct inquiries are not limited to prices; it may on its own initiative or on a written complaint, inquire into any matter relating to the production, supply, distribution or sale of milk.

ALBERTA - THE PUBLIC UTILITIES ACT

Products eligible.- Sections of the act deal with milk and food products; the functions described below are those dealing with milk and cream. The orders apply only to milk and cream to be consumed in fluid form.

Establishment of the board.- The act provides for the establishment of a board to be known as the Board of Public Utility Commissioners, to be composed of three members appointed by the Lieutenant Governor in Council. Supervision of milk and cream marketing is only one of the functions of the board.

Registration and licensing.- The board may make regulations requiring the licensing of those engaged in producing and selling milk and cream within areas which the board may prescribe and may fix and collect a reasonable fee for each license. Regulations under the act require that producers and distributors in prescribed areas must obtain licenses, the fee for which is \$1.00 per annum. Eight areas, known as "Controlled Areas", have been prescribed.

Finance.- The costs of enforcing orders and regulations of the board are to be split, with 25 per cent being met by the Crown and 75 per cent from license fees. The board is empowered to raise money by means of assessments or levies on those engaged in production or distributing, for the proper conduct of the milk trade in the controlled areas, including advertising, cost surveys and special investigations.

Assessments on producers in the controlled areas are fixed in the regulations at the rate of one cent per 100 lb. for milk and 1/6 cent per lb. of butterfat for cream and on distributors at one cent per 100 lb. of milk purchased.

Marketing powers.- Within areas prescribed by the board, regulations or orders of the board may set out the terms and conditions on which milk or cream may be produced, received, handled, stored, delivered, kept for sale or sold. The board may classify milk and cream producers and distributors. It may prohibit persons from handling milk or cream at any of these stages.

There is in effect a quota system; each licensed producer is required to deliver the amount of his quota to a designated distributing plant every day throughout the year. Licensed distributors are required to accept from each producer the amount of his quota. Quota Committees are appointed by the Board for each distributor's plant, to recommend maximum and minimum quotas and revisions in quotas and other matters in connection with quotas. Each Quota Committee is made up of (a) a representative of the distributing plant, (b) a producer appointed by producers or, failing such an appointment, by the board and (c) a representative of the board.

Price-fixing powers.- The board may establish minimum rates at which milk is to be supplied by the various classes of people dealing in it. In particular it may establish schedules of prices to apply to a dealer in a prescribed area delivering or selling milk outside the area and minimum prices at which milk may be purchased by a distributor from a milk producer either inside or outside a prescribed area.

BRITISH COLUMBIA - MILK INDUSTRY ACT

This is a general act covering production and manufacture of milk and milk products. Part III, which applies to marketing, is described below.

Products eligible.- The act defines "milk" as milk obtained from cattle, including cream.

Establishment of the board.- The act constitutes the Milk Board, consisting of not more than three members, who are appointed by order in council. As now established the board consists of a chairman and two members.

Registration and licensing.- The board has power to make orders classifying those engaged in production and marketing milk and providing for their licensing. The amount of license fees may also be fixed by board order. License fees of \$1.00 per year are at present payable by producers and vendors. Producers' licenses are to be granted only on approved dairy farms complying with standards prescribed by regulation under Part I of the act and in the Contagious Diseases (Animals) Act and regulations.

Finance.- Salaries and expenses of the board and its employees are, in the absence of a vote of the Legislature, to be paid from Consolidated Revenue. All fees received by the board are to be paid into the Provincial Treasury.

Marketing powers.- The board may make orders providing for classes of milk according to acceptability for utilization in prescribed classes and may prohibit the marketing of milk not meeting minimum quality standards set by the act. It may provide for the fixing of producer quotas for the fluid market based on the ratio of fluid milk sales to the amount of qualifying fluid milk in any area of production.

The board further has power to make orders establishing or designating an agency to or through which all fluid milk is to be delivered or sold. It may also direct the shipment of a producer's quota to a particular vendor and require him to accept milk for particular producers.

The areas of production are set out in the act and are the Vancouver area, the Vancouver Island area and other areas which may be defined by order in council.

Price-fixing powers.- The board may make orders prescribing the terms and times of payment for milk supplied to vendors by producers, fixing the minimum value at which vendors shall account to producers for milk sold on the fluid market, according to the formula laid down in the act and determining the minimum value, on the basis of current market yields, at which vendors shall account to producers for milk

used in manufactured milk products. The orders may fix the producers' price as a blended price, taking into account the quantity of milk sold for the different purposes and the values applicable. Quantities of fluid milk sales may be prorated among producers so that each receives his share of the value of sales on the fluid market, with payment for the remainder of milk qualifying for the fluid market at the manufacturing value. The proceeds of total qualifying milk sales may be prorated among producers in accordance with the quantity of qualifying milk supplied by each producer.

The formula for the purpose of fixing prices may be established for each area or the province as a whole. It is to take into account relevant economic factors such as changes in the general price level, changes in the price of factors of production and the quantity of milk sold on the fluid market in relation to the total quantity of qualifying milk. It is to provide a reasonable premium for the production of milk for the fluid market. The formula which has been applied incorporates the index of wholesale prices, indices of wages and employment, the index of commodities and services used by farmers and indices of feed prices.

In determining values and fixing prices the board has power to apply a fair differential between areas of production, which in the case of milk for fluid use is not to be greater than the fair cost of transporting milk between areas.

Sales below cost of milk, cottage cheese and ice cream are prohibited. Any person may pay a producer a bonus in addition to the fixed price for milk.

Other powers.- The board may appoint advisory committees of producers, consumers, vendors or other classes of persons to advise and assist it in its duties. It may provide for the holding of public hearings on the marketing of milk and other matters affecting the industry and is required to conduct a hearing on the written request of 50 persons who are producers, consumers or vendors of milk.



